



Assessment of Prospective Cities for USAID Assistance under the Cities Development Initiative

Investment Enabling Environment (INVEST) Project

Submitted to:

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ACRONYMS

AIM	Asian Institute of Management
ASEAN	Association of Southeast Asian Nations
AusAID	Australian Agency for International Development
B-LEADERS	Building Low Emission Alternatives to Develop Economic Resilience and Sustainability Project
BaSuITa	Basilan-Sulu-Tawi-Tawi
BE-SECURE	Water Security for Resilient Economic Growth and Stability
BIMP-EAGA	Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area
BBL	Bangsamoro Basic Law
BFP	Bureau of Fire Protection
BOSS	Business One-Stop-Shop
BPLO	Business Permit and Licensing Office
BPLS	Business Permit and Licensing System
CDC	City Development Council
CDCS	Country Development Cooperation Strategy
CDI	Cities Development Initiative
CIDA	Canadian International Development Agency
CLUP	Comprehensive Land Use Plan
CMCI	Cities and Municipalities Competitiveness Index
COMELEC	Commission on Elections
COMPETE	Advancing Philippine Competitiveness Project
CPDC	City Planning and Development Coordinator
CPDO	City Planning and Development Office
CPH	Census of Population and Housing
DENR	Department of Environment and Natural Resources
DILG	Department of the Interior and Local Government
DOE	Department of Energy
DOST	Department of Science and Technology
DPWH	Department of Public Works and Highways
DRRM	Disaster Risk Reduction Management
DTI	Department of Trade and Industry
DOST	Department of Science and Technology
E-TRACS	Enhanced Tax Revenue Assessment and Collection System
ECC	Environmental Compliance Certificate
ECOFISH	Ecosystems Improved for Sustainable Fisheries Project
ENGAGE	Enhancing Governance, Accountability and Engagement Project
EO	Executive Order
EU	European Union
EVRGC	Eastern Visayas Regional Growth Center
FSIC	Fire Safety Inspection Certificate
GEM	Growth with Equity in Mindanao
GIZ	German Agency for International Cooperation
GOLD	Governance and Local Democracy
GRP	Government of the Republic of the Philippines
HEPP	Higher Education and Productivity Project
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
ICT	Information and Communications Technology

IDP	Internally Displaced Person
IFC	International Finance Corporation
IRA	Internal Revenue Allotment
INVEST	Investment Enabling Environment Project
JEDAG	Joint Energy Development Advisory Group
JICA	Japan International Cooperation Agency
JIT	Joint Inspection Team
JMC	Joint Memorandum Circular
KOICA	Korean International Cooperation Agency
LCDC	Liveable Cities Design Challenge
LEIPO	Local Economic and Investments Promotion Officer
LGPMs	Local Governance Performance Management System
LGU	Local Government Unit
LIIC	Local Investment Incentives Code
LP	Liberal Party
LRED	Local and Regional Economic Development
MC	Memorandum Circular
MILF	Moro Islamic Liberation Front
MNLF	Moro National Liberation Front
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MYDev	Mindanao Youth for Development
NCC	National Competitiveness Council
NCIP	National Commission on Indigenous Peoples
NEDA	National Economic and Development Authority
NGA	National Government Agency
NGO	Non-Government Organization
NSO	National Statistics Office
OEDG	Office of Economic Development and Governance
OFW	Overseas Filipino Worker
PALECO	Palawan Electric Company
PCSD	Palawan Council for Sustainable Development
PfG	Partnership for Growth
PLDT	Philippine Long Distance Telephone Company
PPA	Philippine Ports Authority
PPP	Public-Private Partnership
PRISM	Private Sector Mobilization for Family Health Project
ProGED	Promotion of Green Economic Development
PWRF	Philippines Water Revolving Fund
SHE	Security-Health-Education
STRIDE	Science, Technology, Research and Innovation for Development Project
TA	Technical Assistance
TRRP	Tacloban Recovery and Rehabilitation Plan
UN	United Nations
UN-HABITAT	United Nations Human Settlements Programme
UN-WTO	United Nations-World Tourism Organization
USAID	United States Agency for International Development
WB	World Bank
Z3R	Zamboanga City Roadmap to Recovery and Reconstruction program
ZAMCELCO	Zamboanga City Electric Cooperative
ZCWD	Zamboanga City Water District

I. INTRODUCTION

In support of the Partnership for Growth (PfG) forged by the United States Government and the Philippines in 2011 to “transform the country by addressing its most serious constraints to development and growth,” the current five-year assistance of the United States Agency for International Development (USAID) in the Philippines, as indicated in the Country Development Cooperation Strategy (2012-2016) (CDCS), aims to create a more stable, prosperous, well-governed nation through (1) accelerated and sustained broad-based and inclusive growth; (2) improved peace and stability in conflict affected areas in Mindanao; and (3) improved environmental resilience¹.

Within this framework, the USAID launched the Cities Development Initiative (CDI) as its strategy for localizing the aforementioned development objectives with the overall goal of “strengthening the development of secondary cities as engines of growth and areas of improved quality of life.”² The CDI is envisaged as a multi-faceted package of support in target cities, covering various sectors, including investment generation, health, governance, education, and environment.

Since 2012, CDI has covered one city for each island grouping, namely Batangas City in Luzon, Iloilo City in Visayas, and Cagayan de Oro in Mindanao. These three cities have served as pilot areas for the localization strategy of the CDCS and the PfG.

With the rich experience and lessons learned from the implementation of the CDI in the three cities in the past two years, USAID’s intensive support to secondary cities in the country is ready to be expanded to other areas that can significantly contribute to the country’s inclusive growth agenda.

In this regard, USAID requested the Investment Enabling Environment (INVEST) Project to undertake activities that would help assess four cities, which are candidates for receiving USAID assistance under CDI - Puerto Princesa (Palawan), Tagbilaran (Bohol), Tacloban (Leyte), and Zamboanga City. The following are the specific objectives of this exercise:

- To develop comprehensive profiles for Puerto Princesa, Tagbilaran, Tacloban, and Zamboanga to serve as bases for undertaking assessment for potential CDI support;
- To determine potential requirements for assistance based on needs analysis exercises;
- To conduct consultations with prospective cities to validate initial findings and acquire additional data; and
- To define and suggest elements of program assistance for prospective cities.

¹ United States Agency for International Development (2012). “Country Development Cooperation Strategy 2012-2016.”

² *Ibid.*

³ <http://mindanao.usvpp.gov/pasonancafootbridge.html>

II. KEY ACTIVITIES

In line with the objectives of the study, the following key activities have been undertaken by the Project.

1. *Desk review.* The initial step of the exercise entailed the collection and review of relevant data to capture the social, economic, and political situation of each of the four cities, with emphasis on the following areas identified in the USAID Country Development Cooperation Strategy Results Framework for the Philippines: competitiveness, education, health, local governance, civic engagement for peace and development, disaster risk, and natural resources and environment management.

The exercise benefited from data available from existing sources, especially USAID projects, e.g., Advancing Philippine Competitiveness (COMPETE), Rebuild, Enhancing Governance, Accountability and Engagement (ENGAGE), and Higher Education and Productivity (HEPP). Other useful sources of information include those from the Cities and Municipalities Competitiveness Indexes (CMCI) collected by the National Competitiveness Council (NCC), World Wide Fund for Nature-BPI Foundation Business Risk Assessment, and respective local governments' Local Governance Performance Management Systems (LGPMS).

2. *Scoping Mission.* Initial scoping missions to each of the four cities were conducted by the INVEST Team together with USAID representatives to formally explain to local chief executives, officials, and other critical stakeholders the assessment exercise being conducted by USAID and to solicit initial views on constraints to the development of their respective cities, plans and priorities, and required interventions. The missions also served as platforms for acquiring additional information to complement the desk research, including information on current donor-supported projects.

These missions were conducted on the following dates:

Tagbilaran City: October 8-10, 2014

Puerto Princesa: October 23-24, 2014 and November 10, 2014

Zamboanga City: October 29-31, 2014

Tacloban City: November 17-18, 2014

Annex 1 provides a list of stakeholders who were consulted by INVEST and USAID representatives.

3. *Needs Assessment Workshop.* Beyond review and analysis of available documents and initial discussions, separate formal needs assessment workshops were held to gather each city's major set of stakeholders to assess their respective constraints to growth and competitiveness. The information gathered was essential in identifying potential areas of assistance that can be provided by USAID under the CDI. The schedule of the workshops were as follows:

Tagbilaran City: November 21, 2014

Puerto Princesa: November 25, 2014
Zamboanga City: November 7, 2014

The assessment activity for Tacloban City has been postponed to January 2015.

Each workshop was divided into two parts; (1) plenary presentations covering USAID orientation on the CDI, city government briefing on the city's plans and priorities, and a presentation on the city's role in the development of its respective region from the National Economic and Development Authority (NEDA); and (2) breakout workshop discussions covering the various thematic areas of USAID assistance given its "whole of mission" approach, namely, economic growth aspects, including infrastructure, cost of doing business, and improving production sectors; energy, environment, and climate change; and health. In lieu of separate thematic discussions on education, USAID representatives from the Office of Education provided a summary of previous engagements and future activities in each of the cities.

Each workshop group produced a matrix containing the following information:

Development Challenges	Proposed Actions	Responsible Persons/Groups
<i>Key issues/bottlenecks being faced by city that prevent or inhibit optimal performance/ outcomes in the respective sector.</i>	<i>Actions that can be implemented to address identified constraints (specific and measurable).</i>	<i>Initial identification of groups/organizations that will take the lead and/or support the implementation of the proposed actions.</i>

4. *Signing of a Memorandum of Understanding (MoU) between USAID and Zamboanga City.* On November 14, 2014, USAID signed a Memorandum of Understanding (MoU) with the Zamboanga City Government to formalize its partnership under the CDI. The city is the fourth city to participate in the CDI.

III. FINDINGS AND RESULTS OF THE ASSESSMENT

This section will provide a summary of each city's assessment based on the activities undertaken, including desk review, scoping missions, and needs assessment workshops. The report focuses largely on findings on economic growth aspects. However, other areas will be covered, especially as they impact on economic development issues.

A. Zamboanga City

1. Brief Economic Profile

a. General Information

Zamboanga City, located in Region IX, is considered the Philippine's gateway to the East ASEAN growth area given its proximity to countries, including Brunei, Indonesia and Malaysia. Locally, it is the Zamboanga Peninsula's economic epicenter and a growth driver to the surrounding provinces of Basilan, Sulu and Tawi-Tawi (BaSuITa). Boosting its economic vibrancy is an international airport and seaport, augmented by an economic zone spanning over 700 hectares.

Zamboanga City is the sixth most populous city in the country with 807,209 constituents (2010 Census on Population and Housing), and is the 3rd largest city based on land area (148,338.49 hectares). It is also one of the most ethnically and culturally diverse, with several indigenous groups inhabiting the city (e.g. Tausug, Yakan, Sama and Subanen, among others). Adding to its plurality is the mix of Muslims and Christians in the city.

b. Major Industries

Zamboanga City's economic activity is largely hinged on the services sector as well as agriculture and fisheries, including agro-processing. At present, major industries include: fish and marine products (11 of the largest canned sardine manufacturers in the country are based in the city); seaweed production (used as inputs to products such as processed food and cosmetics); coconut (including coco coir); rubber (which is already being semi-processed and exported for use as tires in Korean cars); abaca; and mangoes.

Tourism is also an emerging sector with steadily rising tourists per year prior to the September 2013 'siege.' In 2012, the city had 370,528 tourist arrivals.

c. Economic Performance

Zamboanga City ranked 74th in the latest CMCI rankings. Although its overall ranking is relatively low, it performed well on the following specific areas – transparency score as measured in the Department of the Interior and Local Government's (DILG's) Local Governance Performance Management System (LGPMMS), distance of city center to air and sea ports, social services infrastructure (education and health facilities), and number

and quality of international-level tourist accommodations. Areas where the city should improve include high inflation rates, slow permitting processes, and availability of basic utilities.

Business registrations in the city total almost 9,000 per year. Given that the city is the financial center of the region and the BaSuITa corridor, it hosts 60 banks and more than 150 other financial institutions, including pawnshops and microfinance institutions.

The city is relatively dependent on transfers from the national government, with internal revenue allotment (IRA) accounting roughly for three-fourths of the city's total resources at Php 1.5 billion.

d. Important Developments

On September 9, 2013, the city faced arguably its largest manmade disaster to date. A faction of the Moro National Liberation Front (MNLF) opposing the peace agreement between the Government of the Republic of the Philippines and the Moro Islamic Liberation Front (MILF) invaded the city and engaged the military and city forces in a localized war for 20 days. The 'siege' paralyzed the city's economic activity and basic services, and displaced more than 100,000 people. While things have returned to normalcy, the city is still at a recovery mode, especially in the rehabilitation of internally displaced persons (IDPs).

2. Significant Constraints to Economic Development

a. Infrastructure, Transportation and Mobility

Traffic congestion has been identified as an important problem in the city, especially in commercial and educational areas. This is exacerbated by the limited availability of public transportation options, especially public utility jeepneys, as well as insufficient parking spaces which result in partial use of roads as parking lots.

The city plans to expand selected roads to ease congestion and build roads deemed to be strategic. These would include bypass roads connecting the city's inner roads to areas outside the city proper, including the Zamboanga Peninsula-West Coast Highway.

Stakeholders did not report significant issues with the current port but recommended the preparation of a feasibility study to upgrade the port to a world-class seaport with ship building and ship repair facilities. The current port can also be supplemented with additional facilities, including cold storage, cold chain, and dryers. Further, the Economic Zone and Freeport Authority (Ecozone) currently does not have a port facility which negatively affects its ability to attract locators. The Ecozone is located around 20 kilometers from the main city port. Further, reaching the Ecozone entails traveling through the same congested highways. In this regard, officials recommended the construction of a bypass road.

Currently, there is inadequate space for international and domestic passenger traffic at the city's airport. Expansion is not possible, due to its proximity to the Central Business District and city proper. Furthermore, their airport is not compliant with international standards, specifically with the International Civil Aviation Authority (ICAO) and the

International Air Transport Association (IATA). There is, however, a proposal to transfer the existing airport to a different site in the eastern part of the city.

b. Utilities

Power (electricity) is a critical issue in Zamboanga City. In recent years, the city suffered from rotating blackouts due to insufficient supply. Business groups, especially large industrial companies have complained of this issue. Beyond supply, there appears to be issues with power distribution, system overloading and system loss/leakages, especially with Zamboanga City Electric Cooperative (ZAMCELCO), the city's main electricity supplier. A large power plant (San Ramon) is being built within the city's Ecozone premises and will help alleviate supply issues. However, this is scheduled to be operational in 2018. In the meantime, the city government has approved a plan for establishing a coal power plant with the proprietor already having secured requisite environmental certificates and clearances. Stakeholders suggested the importance of generating investments in alternative power sources.

With regard to water supply, only 70 percent of households have access to water which is sourced from the Paso Nanca Watershed. Prime Water, a private company, is scheduled to build and operate a facility to supply bulk water to the city, with a capacity of about 65 million cubic meter. Aside from supply issues, there is a need to expand and upgrade the distribution systems of the Zamboanga City Water District (ZCWD).

There are also issues on both solid and water waste management. For the former, there is no proper segregation, both at the source and at the end point. Recommendations include privatizing garbage collection, implementation of septage ordinance, and construction of wastewater treatment facilities.

c. Access to Credit

Zamboanga City has a robust banking and financial sector being the commercial and financial center of the entire Zamboanga Peninsula, as well as the BaSulTa corridor. To date, it has 60 banking institutions and more than 150 other lending/credit institutions/finance and investment companies. However, access to credit and financing to micro and small businesses, especially in the agriculture sector, has been reported to be inadequate.

d. Security and Peace and Order

Peace and order is arguably the most serious constraint to improved economic competitiveness of Zamboanga City. The problem was clearly illustrated in the 2013 'siege.' It had further affected the city's already negative image of conflict and instability.

Zamboanga City is considered to be relatively 'porous' as it is surrounded by the sea and is home to around 96 private ports, making it difficult to monitor and adequately secure borders. Stakeholders would argue that, while the source of unrest and conflict is the BaSulTa area, the city serves as the region's 'battleground.'

The main group responsible in this area is the Task Force Zamboanga, a separate group composed of various units of the Philippine military (i.e. the Army, Navy, Marine Corps, Air Force, and National Police) focused on anti-insurgency and keeping peace and order

in the city and the region. Aside from initiatives at attempting to secure borders and critical waterways, the group had mentioned its current efforts at engaging *barangay* leaders to identify and report incoming migrants to their communities. This is complemented by the ENGAGE Project which supports the creation and capacity building of *barangay*-level peace and order councils and government-citizen “crimewatch” partnerships at the city level.

Beyond terrorism, insurgency, and ethno-religious conflicts, a more recent phenomenon of ‘express’ kidnapping within the city has been reported. This entails kidnappings targeting ordinary citizens in exchange for relatively small ransom demands which escalates to a higher sum and can be transferred to another group, if not paid, within the initial prescribed time period. Task Force Zamboanga reports of declining occurrences, at least in the city.

Task Force Zamobanga reports that drug trafficking is becoming a rampant problem in the city with at least one case discovered per day.

e. Government Efficiency and Capacity

Most of the stakeholders expressed optimism over the current administration of Mayor Climaco, including key officials from the private sector and academic groups. They view the administration as well meaning and progressive. However, one major criticism is the lack of experience of some local government officials.

The Investment Promotions Office is a small team composed of three personnel and is currently integrated with the Tourism office. The city government and other stakeholders have expressed the need for a separate office with specific functions to draw in investors and facilitate expansion of current enterprises in the city.

With regard to permitting processes, specifically on securing the Mayor’s permit to start operating a business in the city or to continue operations (i.e. renewal), the process seems fast at first; however, the city only issues temporary permits, after which, businesses need to comply with requirements, including clearances from Bureau of Fire Protection (BFP) and local regulatory offices, and return to the city hall to secure the permanent permit. There is scope to modify the system to avoid duplication of processes and further streamline inter-office processes. Further, the city has expressed its desire to introduce automated and online business permit systems.

On overall planning and coordination, the city has an existing Comprehensive Development Plan but is outdated. The city is due to formulate a new plan with the main bulk of the planning work to be contracted out soon. Similarly, the Comprehensive Land Use Plan (CLUP) and corresponding zoning regulations need to be updated. Other plans, ordinances, and codes that need updating and upgrading include the following: Local Investment Incentives Code (circa 2005), Law Enforcement/Security Master Plan, and Local Revenue Code.

f. Economic Openness and Competition

Another issue that stakeholders have reported is the rumored “economic protectionism” that has prevented investments originating from outside the city. According to informal reports, past administrations have collaborated with existing business owners to make it difficult for external investors to start a business in Zamboanga City. Despite being a first class city with a population of over 800,000 and the commercial center of two geographical corridors, the city does not have a major national department store (i.e. SM, Robinson’s) and other ‘national chain’ shops and restaurants. Anecdotes of explicit disapproval as well as tactics to prevent competition, such as the purchase of a small parcel of lot within an area already identified by a national mall operator to prevent the investor from acquiring the minimum required composite lot size.

3. Other Issues for Consideration

a. Implications of the Bangsamoro Basic Law

Part of the Peace Agreement between the Government of the Republic of the Philippines (GRP) and the Moro Islamic Liberation Front (MILF) is the proposed creation of an autonomous Bangsamoro entity to be created with the passage of the Bangsamoro Basic Law (BBL). Each proposed area will undergo a plebiscite to determine coverage under the new autonomous entity.

While majority of the stakeholders project that Zamboanga City will not vote for inclusion in the Bangsamoro, there are two important implications for the city if the law is enacted and if the entity is created. One is potential armed hostilities, especially from sectors that would insist that they had been left out of the process. The 2013 siege is largely viewed as MNLF’s attempt to make a statement to this effect.

Another possibility is that a certain portion of the city’s coastal/municipal waters will be under the jurisdiction of the forthcoming Bangsamoro administration. If this becomes the case, small-scale fisherfolk and companies that currently take advantage of its marine resources may have to abide by new rules and regulations as promulgated by the Bangsamoro government. At present, it is unclear whether this may lead to additional user charges or certain restrictions. A significant sector of Zamboanga City’s economy is dependent on marine and sea-based products. Aside from being the sardines processing and manufacturing capital of the country, the city is also a large producer of seaweed and seaweed-based products.

4. Promising Industries (Nascent and Potential for Development)

Currently, six champion products have been identified for the city and the larger peninsula. These are: sardines, fisheries, and other marine products, seaweed, abaca, coconut (including by-products such as coco coir), rubber, and mango.

As reported by stakeholders, other potential industries that can be developed include the following:

- Other agriculture-based products, such as coffee and cacao which can be grown in high-altitude areas, including certain sections of the ecozone;

- *Halal* products, taking advantage of market and cultural linkages with predominantly-Muslim populated countries in the Middle East and Southeast Asia;
- Niche business-process-outsourcing activities, including call centers for Spanish and Arabic-speaking countries given the population's familiarity with such languages; and
- New tourism products, including the recently-discovered Merloquet Falls.

5. Significant ODA Projects

a. USAID Projects

The following is a summary of significant USAID projects/activities that have been or are being implemented in the city:

- *Growth with Equity in Mindanao (GEM)*. The GEM program was one of the longest-running programs of USAID in the country, extended twice for second and third phases (GEM – 1996 to 2001; GEM-2 – 2002 to 2007; GEM-3 – 2008 to 2013). It specifically targeted development activities in the Autonomous Region of Muslim Mindanao and other conflict-affected areas in Mindanao (including Zamboanga City), consisting of small community-based infrastructure, promotion of community livelihood and micro industries to counter underlying causes of unrest and insurgency. USAID completed more than 1,540 barangay infrastructure projects to help spark economic activity in Mindanao, including water systems, solar dryers, boat landings, bridges and footbridges, trading centers and roadway upgrades. GEM provided \$600,000 worth of humanitarian assistance during the 'siege,' responding to the immediate needs of about 14,000 IDPs³.
- *Enhancing Governance, Accountability and Engagement project (ENGAGE)*. Considered as the successor to Growth and Equity in Mindanao (GEM), the project, specifically in Zamboanga City, is focused on maintaining peace and order and countering roots of insurgency through in-depth engagement of barangays, by strengthening their Peace and Order Councils, and by creating platforms for cooperation between government and civil society actors. The project is also supporting small-scale livelihood activities for IDPs affected by the September 2013 'siege.'
- *Mindanao Youth for Development (MYDev)*. MYDev aims to provide opportunities to the out-of-school youth ages from 15-24 to continue their education through the Basic Literacy and Skills Training.
- *Investment Enabling Environment Project (for the Liveable Cities Design Challenge)*. Zamboanga City participated in the recently-concluded Liveable Cities Design Challenge (LCDC), an initiative spearheaded by USAID in partnership with National Competitiveness Council, APEC 2015, Asia Society, Urban Land Institute, World Wildlife Fund, Alliance for Safe and Sustainable Reconstruction, and Microsoft. The city competed in the "Government Center" category where they proposed a comprehensive government evacuation and disaster management plan featuring three centers given the city's immense land area. As a participant, the city received

³ <http://mindanao.usvpp.gov/pasonancafootbridge.html>

mentoring/coaching support from architects contracted by INVEST. Zamboanga was eventually awarded as one of four top finalists in the LCDC.

b. Other Development Partner-supported Projects

Especially after the 2013 siege, most development partner-supported projects have focused around humanitarian assistance. Figure 1, directly sourced from Mayor Climaco's slide deck during the city's Needs Assessment Workshop on November 7, 2014, summarizes major United Nations-supported projects post-2013 siege. These cover logistics, shelter, camp management and coordination, and protection as well as basic services, including health, nutrition, food security, water, sanitation, and hygiene, and education provided by the different UN agencies.

Figure 1. United Nations-supported Projects in Zamboanga City



6. City Priorities

The current focus of the city is rehabilitation after the 2013 siege. This includes resettlement and rehabilitation of IDPs numbering about 125,000. More than 2,000 families are still lingering in the city's sports complex (grandstand). This is encapsulated in the Zamboanga City Roadmap to Recovery and Reconstruction program, or popularly known as Z3R. This is one pillar of the Security-Health- Education (SHE) platform of the Climaco administration which aims to have "a vibrant, investor-friendly economy that is globally-competitive, able to provide jobs to its people and can secure a better future for our children." Another important piece of work is calibrating security measures in the city, including upgrading of security facilities.

Beyond rehabilitation, the city wants to identify and establish new growth areas for development – to disperse development outside the city proper and traditional core urban areas, including the Eastern Zone of the city. The proposed transfer of the city airport may contribute to fostering new economic growth areas.

7. Potential USAID Assistance Under the CDI

The table below provides a summary of potential assistance that USAID can provide under the CDI with a focus on areas for accelerated local economic growth.

Table 1. Possible USAID Support to Zamboanga City under the Cities Development Initiative

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
<i>1. Business Environment</i>				
1.1 Cost of Doing Business/ Regulations and Permits	<ul style="list-style-type: none"> Streamlined business registration from construction to securing Mayor's permit Enable more convenient post-registration processes 	<ul style="list-style-type: none"> TA to streamline construction-related permitting processes and drafting of corresponding policy instruments (e.g. ordinance) TA to streamline local business registration processes, including creation of one-stop-shops, and automation of systems; drafting of corresponding policy instruments TA to establish business-friendly joint inspection teams (pre and post registration) Study visits to INVEST cities, other Philippine cities, and other cities abroad (e.g. Singapore, Malaysia), and other training programs 	<ul style="list-style-type: none"> Building Official Zoning Official Bureau of Fire Protection City Engineer Business Permits and Licensing Officer City Investment Officer City Treasurer Zamboanga Chamber of Commerce City Council Department of Trade and industry Department of the Interior and Local Government 	<ul style="list-style-type: none"> USAID can use models generated from INVEST Project
1.2 Government Efficiency and Capacity	<ul style="list-style-type: none"> Improved planning capacity of the city government Clearer roadmap of city plans for private sector and other stakeholders Improved revenue collection 	<ul style="list-style-type: none"> TA to update Comprehensive Land Use Plan (CLUP) and Zoning Ordinance TA to support the development of new Comprehensive Development Plan (CDP) by selected contractor Training programs for City Planning and Development Office staff TA to support review of Local Revenue Code 	<ul style="list-style-type: none"> City Planning and Development Coordinator Zamboanga Chamber of Commerce City Council Local NGOs Local universities 	<ul style="list-style-type: none"> Formulation of CDP scheduled in early 2015

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
1.3 Security and Peace and Order	<ul style="list-style-type: none"> Reduced threats and incidences of armed conflict Increased capacity to adequately respond to threats 	<ul style="list-style-type: none"> TA to review the city Security Master Plan Facilitate the private sector engagement with Task Force Zamboanga and City Government to identify potential support Support the design of early warning and relay communications systems for terrorism activities/ manmade disasters Commission in-depth study on root causes of insurgency, unrest, and conflict in the Region and Basilan-Sulu-Tawi-Tawi (BaSuTa) corridor 	<ul style="list-style-type: none"> Task Force Zamboanga Zamboanga Chamber of Commerce City Council Local NGOs Local universities USAID ENGAGE National Commission on Indigenous Peoples Office of Muslim Affairs Office of the Presidential Adviser on the Peace Process 	<ul style="list-style-type: none"> Build on ENGAGE initiatives, esp. support to <i>barangay</i>-level peace and order councils
1.4 Disaster Preparedness	<ul style="list-style-type: none"> Improved resilience and capacity to respond to calamities and disasters 	<ul style="list-style-type: none"> TA to develop a Disaster Risk Reduction Management sub-plan mainstreamed in the CDP Implementation and review of the Drainage Master Plan TA to identify sources of financing, including private sector partnership for the construction of the planned mega dike TA to identify sources of financing, including private sector partnership for proposed evacuation centers TA to develop the city's Environment Code 	<ul style="list-style-type: none"> City Disaster Risk Reduction Management Officer City Environment Officer Zamboanga Chamber of Commerce City Council 	<ul style="list-style-type: none"> Proposed evacuation centers presented during Livable Cities Design Challenge; Zamboanga City was a finalist

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
2. Infrastructure, Utilities, and Mobility				
2.1 Power	<ul style="list-style-type: none"> Improved power supply 	<ul style="list-style-type: none"> TA to identify alternative sources of energy and integration into main power distribution systems TA to introduce clean coal technologies in building coal power plant 	<ul style="list-style-type: none"> Zamboanga City Electric Cooperative National Grid Corporation of the Philippines Department of Energy City Planning and Development Coordinator Universities 	<ul style="list-style-type: none"> Can tap COMPETE expertise and experience in infrastructure
2.2 Water and Sanitation	<ul style="list-style-type: none"> Improved water supply 	<ul style="list-style-type: none"> TA to ensure adequate bulk water supply from Prime Water to Zamboanga City Water District (ZCWD) TA to support upgrading of water distribution system of ZCWD Commission study on advanced technologies on alternatives sources of water (e.g. desalination) 	<ul style="list-style-type: none"> Zamboanga City Water District Local Water Utilities Administration City Planning and Development Coordinator 	<ul style="list-style-type: none"> Can tap COMPETE expertise and experience in infrastructure
2.3 Waste Management (Solid and Liquid)	<ul style="list-style-type: none"> Improved solid waste management Improved waste water management 	<ul style="list-style-type: none"> TA to study options for more efficient garbage collection, including outsourcing to private providers TA in the proper implementation of the septage ordinance TA to study the feasibility of constructing a waste water treatment facility 	<ul style="list-style-type: none"> City Planning and Development Coordinator City Council 	

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
2.3 Transportation and Road Network	<ul style="list-style-type: none"> Improved road network and decongested urban centers Improved traffic management and flows Improved air and sea port facilities 	<ul style="list-style-type: none"> TA to explore financing options for construction of strategic roads, including private sector involvement TA to formulate traffic management system, including transport system Facilitate discussions with Department of Transportation and Communication for the inclusion of proposed new airport in its investment plan TA to review and study feasibility of establishing a port in the Ecozone Conduct feasibility study to upgrade main city port 	<ul style="list-style-type: none"> PPP Center Department of Public Works and Highways Department of Transportation and Communication Zamboanga Economic Zone and Freeport Authority Philippine Ports Authority Congressional Representatives for District 1 and 2 	<ul style="list-style-type: none"> Can tap COMPETE expertise and experience in infrastructure

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
3. Production Sectors and Potential Industries				
3.1 Business Enhancement and Support Services	<ul style="list-style-type: none"> Improved capacity of marginalized sectors and small and micro businesses for enterprise development and management Improved access to credit for marginalized sectors and small and micro businesses 	<ul style="list-style-type: none"> Training on value chain analysis for farmers, fisherfolk, cooperatives, and micro and small businesses Development of enterprise development courses of universities for integration in curricula geared towards farmers, fisherfolk, cooperatives, and micro and small businesses (possibly through USAID HEPP) TA to explore enhanced credit and financing for micro and small businesses TA to review irrigation facilities for potential improvement 	<ul style="list-style-type: none"> City Agriculture Officer Department of Trade and Industry Zamboanga Chamber of Commerce Zamboanga Bankers Association National Irrigation Authority 	<ul style="list-style-type: none"> USAID HEPP can be tapped to develop industry-responsive courses
3.2 Investment Incentives and Promotion Activities	<ul style="list-style-type: none"> Improved capacity to attract investors Improved capacity to provide support services to current and potential investors 	<ul style="list-style-type: none"> TA to establish and design an Investment Promotion Center and a virtual (online) counterpart TA to formulate a Local Investment Incentives Code with specific local investment priority areas TA to develop in-depth sector profiles and identify investment opportunities Support in organizing road shows, business forum(s), and other promotions TA to develop Tourism Master Plan TA to develop proposals and options for use of municipal waters (if to be within the jurisdiction of Bangsamoro government) 	<ul style="list-style-type: none"> City Investment Officer City Tourism Officer Zamboanga Chamber of Commerce Department of Trade and Industry City Council Office of the Presidential Adviser on the Peace Process 	<ul style="list-style-type: none"> USAID can use models generated from the INVEST Project Once the Bangsamoro Law is enacted, a certain portion of the city's coastal/ municipal waters may be under the jurisdiction of the forthcoming Bangsamoro administration

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
3.3. Development of New Business Opportunities, Growth Areas	<ul style="list-style-type: none"> • Better diversified economic activities/ sectors • New growth areas identified and developed 	<ul style="list-style-type: none"> • TA to formulate a plan for the old airport (if transfer will proceed) • TA to facilitate economic development and activities in areas surrounding the proposed new airport • TA to identify potential sectors for development (e.g. medical centers, niche BPO sectors) 	<ul style="list-style-type: none"> • City Investment Officer • Zamboanga Chamber of Commerce • Department of Trade and Industry • City Council • Private developers 	
4. Cross-Cutting Concerns				
4.1 Private Sector-Government Partnership	<ul style="list-style-type: none"> • Improved partnership between city government and private sector 	<ul style="list-style-type: none"> • TA to design and establish formal platform for city government-private sector dialogue (regular engagement) 	<ul style="list-style-type: none"> • City Investment Officer • Zamboanga Chamber of Commerce 	<ul style="list-style-type: none"> • USAID can use models generated from INVEST Project
4.2 Competitiveness Monitoring	<ul style="list-style-type: none"> • Increased ability to track crucial indicators of competitiveness 	<ul style="list-style-type: none"> • Support in producing, compiling, and analyzing data for the annual Cities and Municipalities Competitiveness Index (CMCI) 	<ul style="list-style-type: none"> • National Competitiveness Council • Regional Competitiveness Committee • City Planning and Development Coordinator • Department of Trade and Industry (regional office) 	<ul style="list-style-type: none"> • Zamboanga ranked 74th in the latest CMCI rankings

B. Tagbilaran City

1. Brief Economic Profile

a. General Information

Tagbilaran is the capital and a component city of the province of Bohol, which is located in the Central Visayas region. It is the only city in the province and the most populous area in Bohol with 96,792 residents (2010 Census of Population and Housing). The city boasts of its role as the province's gateway of development, a major eco-tourism destination and the province's center of trade and commerce. It hosts the province's airport, major sea and fish ports, government offices, educational institutions, hospitals, hotels and commercial areas. The city's commercial importance is closely linked to Cebu City, the region's center of economic activities.

b. Major Industries

Tagbilaran City's major industries include tourism, retail trade, and services. In recent years, both tourism and the handicraft industries have become drivers of the city's economic growth. Tourists traveling to Bohol go through Tagbilaran because the airport and major port that serve the province are located in the city. The Bohol Tourism Office reported an average of more than 600,000 visitor arrivals yearly before the 2013 earthquake.

Education is also a significant industry in Tagbilaran. The city is host to a number of reputable universities - Holy Name University, University of Bohol, Bohol Island State University - which offer different course specializations in engineering, tourism and hospitality management, commerce, among others. These offerings are consistent with the requirements of businesses activities in the city.

According to data from the DTI, many of the registered establishments in the city belong to the services sector, especially coming from the wholesale and trade subsector. There are five malls/supermarkets and three public markets in the city.

Agricultural production, on the other hand, is small relative to other sectors, though a third of the city's agricultural land is devoted to crops, which are mostly grown for food sustenance of the farmers. In addition, the city also hosts small-scale mining activities such as limestone quarrying, crushed-stone gathering and sea sand extraction.

c. Economic Performance

The city has been a recipient of various awards and recognition from notable bodies. The Institute for Solidarity in Asia considered Tagbilaran as one of the eight "Philippine Dream Cities." In the Philippine Cities Competitiveness Ranking Project of the Asian Institute of Management Policy Center, it was ranked first in the Quality of Life criteria for 2005 and 2007 under the Small-Sized Cities category. Most recently, Tagbilaran was

the 28th most competitive city in the Philippines (out of 136 cities) and 6th in the Government Efficiency category in the 2014 CMCI.⁴

Business registrations in the city are estimated at 3,400 in 2013, with around 300 new registrations per year. The city is the financial center of the province, with more than 33 banks and 100 other financial institutions, including pawnshops and microfinance institutions.

Recognized by the National Economic and Development Authority as one of five regional centers in the Visayas Region, Bohol has a provincial-level Tourism Council as well as a provincial chapter of the Philippine Chamber of Commerce and Industry but located in Tagbilaran where majority of their members and officials reside or have offices..

The city also needs to improve revenue collection efforts as more than half of its income is derived from the Internal Revenue Allotment (IRA). The annual city income is almost Php 500 million, of which the IRA is the estimated at roughly Php 262 million.

d. Important Developments

On October 15, 2013, an earthquake with magnitude 7.2 and with an epicenter near Sagbayan town, struck Bohol causing casualties and damage in Tagbilaran. According to official reports by the National Disaster Risk Reduction and Management Council, the death toll reached 222 while 976 people were reportedly injured. More than 73,000 structures in the province were damaged, including seaports, the airport, old churches, and the city hall.

2. Significant Constraints to Economic Development

a. Infrastructure, Transportation and Mobility

Stakeholders reported that the city experiences traffic congestion, especially in the downtown area. The major reasons cited include: (1) narrow and poor condition of the major roads; (2) the clustering of malls and large establishments in a single area; (3) the huge number of tricycles operating in the city; (4) inadequate public transport terminals, which are generally disorganized; (5) lack of a traffic management system; (6) no assigned responsible office that is assigned to manage the city's traffic within the city government.

Improvement and expansion of roads have been difficult because of the lack of inventory of road lots that have issues with titles and clear deeds of donation. Heirs occupying certain lots are reluctant to honor verbal pledges of their ancestors to donate their lands for road works because of the large amount of tax they have been playing. Various options to acquire the said lots have been proposed, such as provision of tax credits to lot owners or if necessary, expropriation

⁴ The CMCI which was developed by National Competitiveness Council, measured the competitiveness of 535 local governments (136 cities and 399 municipalities) using 28 indicators grouped into three categories - economic dynamism, government efficiency and infrastructure.

Several other recommendations to improve the road network and traffic flows have been put forward, including reclaiming a certain portion of Tagbilaran's coast to build a boulevard and development of a Road Sector Plan, together with the creation of a City Traffic Management Office.

In air transport, the airport can only accommodate morning and afternoon flights due to the lack of navigation aids, especially for night travel. A new Bohol airport is scheduled to be built by 2016 in Panglao, a municipality adjacent to Tagbilaran. This international-class airport will replace the current airport in Tagbilaran. Implications of the transfer are discussed in Part 3.

b. Utilities

Power is a major issue in Tagbilaran. Stakeholders report that supply is not the problem but rather the city's dependency on Leyte as its power source. In fact, the city did not experience significant power interruptions during the October 2013 earthquake but endured weeks without electricity at the height of Typhoon Yolanda (Haiyan) which devastated parts of Leyte and Samar. To solve the problem, the suggestion is to pursue connection with the power supply grid in Cebu, previously reported to involve installing submarine cables. The DTI also suggested the use of alternative technologies/ approaches that can be tested, including "net metering" where houses are equipped with solar panels and connected to the grid. In the proposal, surplus power that is generated flows to the grid and the households get compensated in return (i.e. the power company will buy the electricity supply).

Water is also a concern. Businesses and households report that they do not get sufficient water supply. One option is to extract water sources outside the city (e.g. Corella) but this requires financing. USAID's COMPETE Project is currently implementing the Bohol Bulk Water Supply Project province-wide which may contribute to resolving Tagbilaran's water supply constraints.

Another issue is solid waste management. An open dumpsite exists in Dampas District in the city but this has been deemed as illegal. Tagbilaran and nearby towns are negotiating a metro-level agreement⁵ (through a Memorandum of Agreement) to establish a sanitary landfill in the municipality of Alburquerque, Bohol. Another problem relates to waste water management, where waste water, even hazardous elements from medical facilities, is not disposed properly and even if untreated, goes directly to the sea, increasing the risk of water pollution. This is a major issue since the city and province heavily depend on the quality of the sea for economic activities.

c. Access to Credit and Property Rights

Bohol is a so-called net credit exporter given its high saving rate relative to its overall lending portfolio. The Bohol Bankers Association reported that majority of titles in the city are only under "tax declaration" status and are not full titles. Such lots are not acceptable forms of collateral and this situation contributes to the relatively poor borrowing levels in the city.

⁵ "Metro Tagbilaran" is generally accepted to include Tagbilaran City, Cortes, Maribojoc, Dawis, Panglao, Lobo, Alburquerque, Loay, Baclayon, and Corella.

d. Security and Peace and Order

Stakeholders report a gradually increasing drug problem in the city in terms of usage and related crimes. One constraint that exacerbates the issue is the presence of only a few accredited physicians in the city. Drug users cannot proceed to rehabilitation centers without doctor referrals.

e. Government Efficiency and Capacity

The city government is still in recovery/rehabilitation mode one year after the earthquake. The city hall was significantly damaged during the disaster. Since that time, all government offices have been occupying a small area at the adjacent building next to the local Department of Agriculture complex with temporary fixtures.

The current administration is relatively new. Mayor John Geesnell Yap is a first term and has not held any previous elective post in government. Many of the department heads are likewise newly appointed, e.g. City Planning and Development Coordinator. The city hall staff-both officials and technical staff - therefore needs capacity building support in providing frontline services and in formulating plans (including medium-term comprehensive development plans, land use plans, and tourism planning, among others). Even the current effort in drafting the CLUP for the city is being spearheaded by the provincial government.

Plans and critical ordinances of the city are outdated. The CLUP was last updated in 2006. The Local Revenue Code that is currently used was enacted in 2005 while the city's Real Property Tax Assessment Ordinance was issued in 2008.

The city currently does not have a dedicated investment officer, who can assist prospective and current investors for business services. The CPDC has been designated to assume the functions of the Local Economic and Investments Promotion Officer (LEIPO) but this has been a difficult arrangement given the heavy workload of the CPDC. The provincial-level Bohol Investment Promotion Center provides technical assistance to the city in this regard.

Similarly, at present, the city does not have a dedicated tourism officer. Moreover, the City Tourism Council was just re-activated in November 2014.

With regard to business registration, there is scope for introducing streamlining reforms despite earlier efforts at expediting the process of securing business permits. The BPLS process appears to be compliant with the DILG-DTI Joint Memorandum Circular No. 1 series of 2010 but the city still requires inspections during the process. On the other hand, securing construction-related permits (i.e. building permits and certificates of occupancy) takes a long time; sometimes, inspections can take one week before it can be conducted.

f. Economic Openness and Competition

Stakeholders reported political intervention related to investment where certain businesses have been blocked from setting up shop in the city to prevent creating competition with current businesses.

g. Engagement with Non-governmental Organizations

The current administration has expressed and exhibited openness to engaging the private sector and non-governmental organizations (e.g. Bohol Association of NGO Networks) in various city-level committees (e.g. Bohol Tourism Council and Bohol Chamber of Commerce). While the City Development Council includes members from the private sector and NGOs, the council does not meet regularly (i.e. roughly two times per year). There is also a need to reactivate the multi-sectoral People's Council, composed of the private sector, urban poor, academe, and other significant non-government actors, since it can serve as a regular consultative and feedback mechanism for the city government to solicit external views.

3. Other Issues for Consideration

a. Transfer of Critical Facilities outside of Tagbilaran City

One critical development that will have significant effects on the city's economy is the looming transfer of the airport to Panglao, a municipality adjacent to the city, by 2016. Currently, while majority of tourists only pass through the city to get to the other areas in the province, it still serves as a gateway, thus enabling Tagbilaran to capture at least a portion of consumer activity from these tourists. If Tagbilaran is not able to develop more attractions to give tourists a reason to pass through and/or stay in the city, the city will lose the volume of potential tourists it was catering to previously. At present, the city government is mounting a big effort at developing local tourist spots.

Aside from developing tourist products within the city to attract visitors, stakeholders are recommending the conversion of the existing airport site to a mixed-use development to be bidded out to developers once the Panglao airport is operational. However, there may be legal constraints that need to be resolved first as some have reported that the initial conditions provided by the land donor indicated utilization of the land only for airport services or related activities.

Another development that may have negative economic impact on the city's economy is the proposed transfer of the Provincial Capitol and the provincial hospital (i.e. the Governor Celestino Gallares Memorial Hospital) to Cortes municipality. Their current location attracts people to the city, which positively affects the local economy through increased consumption activities.

4. Promising Industries (Nascent and Potential for Development)

As reported by stakeholders, potential industries that can be developed are discussed below.

Local Tourism. As previously mentioned, the city government has launched a large effort to develop local tourism offerings. It launched the "one *barangay*, one tourism product" where each *barangay* has been requested to identify potential tourism sites, support products (e.g. souvenir items), or services in order to develop different local tourism circuits and packages. With the support of RARE foundation, the city is also developing the *Mabaw* Reef as an eco-tourism destination. City government officials also reported

plans of developing a city tour with focus on cultural heritage, including ancestral houses. In terms of translating damages into opportunities, the city has indicated plans to develop sinkholes formed during the 2013 earthquake into tourism sites.

Technology-based Industries. The Philippine Long Distance Telephone Co. (PLDT) has recently installed 40 gigabyte fiber optic cable connections in the city and in nearby Panglao Island. This will enable high-speed internet bandwidth speeds, which may attract technology-based enterprises. Bohol has an Information and Communications Technology (ICT) Council.

Investment Opportunities and Promotions Geared towards OFWs and Returning Residents. Tagbilaran and the Bohol province have a lot of Overseas Filipino Workers (OFWs). Many of them participate in a homecoming event dubbed “Tigum Bolanon Tibuuk Kalibutan” which is held every three years in July to coincide with the *Sandugo*⁶ festival. As suggested by stakeholders from the private sector, this event can be maximized to develop economic opportunities by packaging investment products that can be offered to returning/visiting residents. Another possibility is the establishment of an investment promotion unit in Manila, supported by Manila-based Tagbilaranons and OFW groups abroad.

Manufacturing. According to the DTI provincial office, the manufacturing sector in the city can be further developed. In fact, a fabrication facility (“fab lab”) is being piloted in Bohol Island State University. The ‘lab’ is open to potential entrepreneurs for product development. Given that the city still has available land that can be used for industrial purposes, Tagbilaran may also explore the development of economic processing zones which may cater to a range of manufacturing activities, including semi-conductors.

State-of-the-Art Medical facilities. Stakeholders also mentioned that Tagbilaran can explore developing state-of-the-art hospitals and medical establishments to help attract foreign retirees. Many foreigners have expressed interest in retiring in the city but are hesitant because of the lack of medical facilities. Moreover, one of the criteria for accreditation by the Philippine Retirement Authority is the presence of hospitals of international standards.

Port as a “Cruise” Stop. Stakeholders suggested that Tagbilaran can position itself as a potential destination within an ASEAN/Asian cruise. However, this entails upgrading of port facilities to reach minimum international standards.

5. Significant ODA Projects

a. USAID Projects

The following is a summary of significant USAID projects that have been or are being implemented in the province and city:

- ***Governance and Local Democracy (GOLD).*** In 1996, GOLD played a catalytic and pivotal role in Bohol’s development and environmental management resources.

⁶ This refers to the blood compact entered by Datu Sikatuna and Miguel Lopez de Legazpi in 1565 to formalize a peace treaty.

Under the GOLD project, Bohol crafted the Bohol Environment Code (BEC) of 1998, the first to be passed by a local government in the country.

- *Advancing Philippine Competitiveness (COMPETE)*. COMPETE is a five-year project that seeks to improve the levels of domestic and foreign investments, create increased employment chances and raise domestic incomes through quality infrastructure, more competitive industries, and credit facilitation. In Bohol, USAID partnered with the provincial government on a major water and sanitation venture. COMPETE then provided technical assistance in the development of project documents such as feasibility study, transaction documents, and bid terms of reference for the successful procurement and implementation of the Bohol Water and Sanitation Project (BWSP), which paved the way for the development of resources for a more sustainable bulk water supply. COMPETE, together with the United Nations-World Tourism Organization (UN-WTO), and the Pacific Asia Travel Association (PATA) also provided support in the development of the Bohol Tourism Recovery Plan which was launched in May 2014.
- *Private Sector Mobilization for Family Health Project (PRISM) – Phase 2*. PRISM-2 is a follow up to USAID's PRISM Project implemented in 2004-2009 (PRISM) which initiated the participation of the private sector, with government as partner, in meeting the demand of Filipino families for family planning and maternal and child health products and services. USAID provided health assistance to Bohol by partnering with the private sector in the delivery of family planning, maternal and child health services.
- *Higher Education Productivity Project (HEPP) Project*. Launched in January 2013, HEPP aims to address the skills gap and mismatch problem by initiating industry-academe linkages. These linkages allow businesses and higher education institutions to work hand-in-hand in training graduates, and equipping them with specific skills needed for employment. HEPP aims to achieve this by improving the availability of information on industry and higher education capability, organizing national policy dialogues between key stakeholders, and creating manpower plans and concrete industry-academe partnerships at the local level. The first Industry-Academe Summit was organized on March 2014 in Tagbilaran where tourism was identified as a major sector that the city should focus on. As a result, an on-the-job training (OJT) consortium was set up in August 2014. The project also supported the establishment of an Industry-Academe Governance Council, composed of local universities and the business sector, mostly coming from tourism establishments.

b. Other Development Partner-supported Projects

Similar to USAID initiatives, most development partner projects cover the province as a whole without specific focus on Tagbilaran City. For example, German Federal Enterprise for International Cooperation (GIZ), in partnership with DTI, launched the promotion of Green Economic Development (ProGED) to showcase green and cost-efficient technologies. World Bank has also undertaken studies on coastal resource management.

One project that has supported the systems of the city is the AusAID-supported Enhanced Tax Revenue Assessment and Collection System (E-TRACS) which has

helped computerize real property assessments which serve as basis for computing real property taxes, a key revenue source for any LGU.

6. City Priorities

As indicated in previous sections, the city is still currently in recovery mode but is moving towards focusing on other priorities, especially those that have impacts on the economic development of the city.

One important priority of the city government is the formulation and updating of plans and policies. The city is currently formulating a revised CLUP with the support of the provincial government which will correspondingly include zoning plans for adoption of the city council. It is also in the process of updating the City's Local Investment Incentives Code. The implementation of critical infrastructure and utilities is also of critical importance, e.g. concreting and asphaltting of roads, establishment of a comprehensive drainage system, and waterworks improvement.

On the investment side, efforts are being undertaken for the city to become a tourism destination and not just a gateway for other tourism stops in the province. Following the installation of fiber optic technology, the city is likewise trying to attract tech-oriented firms to locate in the city.

For social services, the city is undertaking initiatives to improve delivery of services in education, health, and livelihood programs, especially for the youth and senior citizens.

7. Potential USAID Assistance Under the CDI

The table below provides a summary of potential assistance that USAID can provide under the CDI with a focus on areas for accelerated local economic growth.

Table 2. Possible USAID Support to Tagbilaran City under the Cities Development Initiative

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
<i>1. Business Environment</i>				
1.1 Cost of Doing Business/ Regulations and Permits	<ul style="list-style-type: none"> Streamlined business registration from construction to securing Mayor's permit Enable more convenient post-registration processes 	<ul style="list-style-type: none"> TA to streamline construction-related permitting processes and revision of corresponding policy instruments (i.e. ordinance) TA to streamline local business registration processes, including creation of one-stop-shops, automation of systems, linkage to other systems (e.g. eTRACS), and amendment of corresponding policy instruments (i.e. ordinance) TA to establish business-friendly joint inspection teams (pre- and post-registration) Study visits to INVEST cities, other Philippine cities, and other cities abroad (e.g. Singapore, Malaysia), and other training programs 	<ul style="list-style-type: none"> Building Official Zoning Official Bureau of Fire Protection City Engineer Business Permits and Licensing Officer City Investment Officer City Treasurer Bohol Chamber of Commerce City Council Department of Trade and industry Department of the Interior and Local Government 	<ul style="list-style-type: none"> USAID can use models generated from INVEST Project Link permitting systems with eTRACS software developed with support from AusAID (for real property tax assessment)
1.2 Government Efficiency and Capacity	<ul style="list-style-type: none"> Improved planning capacity of city government Clearer roadmap of city plans for the private sector and other stakeholders 	<ul style="list-style-type: none"> TA to implement Comprehensive Land Use Plan (CLUP) currently being revised/ formulated and the development of corresponding Zoning Ordinance TA to initiate the development of a Master Plan for Tagbilaran City TA to review the Integrated Coastal Resource Management Plan (updated last 2007) Training programs for recently-appointed City Planning and Development Coordinator and Planning Office staff 	<ul style="list-style-type: none"> City Planning and Development Coordinator Bohol Chamber of Commerce Bohol Tourism Council City Council Local Non-governmental organizations (NGOs) Local universities 	<ul style="list-style-type: none"> The CLUP is currently being revised/ formulated with the support of the provincial government

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
1.3 Security and Peace and Order	<ul style="list-style-type: none"> Reduced illegal drug problems 	<ul style="list-style-type: none"> TA to strengthen anti-drug council (e.g. review composition, design and program of activities) 	<ul style="list-style-type: none"> Local Philippine National Police City Health Office Local NGOs 	
1.4 Property Rights	<ul style="list-style-type: none"> Clear and robust property rights system in place 	<ul style="list-style-type: none"> TA to review improvements on land titling processes and systems to ensure full titling of lands that can serve as collateral for banks TA to pursue titling of reclaimed area in the foreshore area TA to formulate a Foreshore Development Plan based on DENR mapping data 	<ul style="list-style-type: none"> City Assessor Register of Deeds/ Land Regulation Authority Department of Environment and Natural Resources City Planning and Development Coordinator 	<ul style="list-style-type: none"> Bohol Bankers Association mentioned that properties with only "tax declarations" cannot be accepted as collateral for loans
1.5 Disaster Preparedness	<ul style="list-style-type: none"> Improved resilience and capacity to respond to calamities and disasters 	<ul style="list-style-type: none"> TA to develop a local Disaster Risk Reduction Management Plan and update hazard maps TA to review and update the drainage master plan (currently drainage systems are not connected) TA to review and update the Environment Management Code 	<ul style="list-style-type: none"> Designated City Disaster Risk Reduction Management Officer City Environment Officer Bohol Chamber of Commerce City Council 	
2. Infrastructure, Utilities, and Mobility				
2.1 Power	<ul style="list-style-type: none"> Decreased dependency on the Leyte power grid 	<ul style="list-style-type: none"> Facilitate requisite meetings and follow up actions to establish the planned Loon-Cebu electricity supply connection via submarine cables (planned by National Grid Corporation of the Philippines) TA to identify alternative sources of energy and their integration into the main power distribution systems TA to explore and pilot test the "net metering" technology to augment power supply 	<ul style="list-style-type: none"> Bohol Electric Cooperative (1 and 2) National Grid Corporation of the Philippines City Planning and Development Coordinator Universities Department of Trade and Industry USAID COMPETE 	<ul style="list-style-type: none"> Can tap COMPETE expertise and experience in infrastructure

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
2.2 Water and Sanitation	<ul style="list-style-type: none"> Improved water supply 	<ul style="list-style-type: none"> TA to support the upgrading of the water distribution system (Water District) Commission a study on advanced technologies for alternatives sources of water (e.g. desalination) 	<ul style="list-style-type: none"> Tagbilaran Water District Local Water Utilities Administration City Planning and Development Coordinator USAID COMPETE 	<ul style="list-style-type: none"> COMPETE Project is currently implementing the Bohol Bulk Water Supply Project
2.3 Waste Management (Solid and Liquid)	<ul style="list-style-type: none"> Improved solid waste management Improved waste water management 	<ul style="list-style-type: none"> Support inter-local government unit (LGU) discussions to pursue the proposed Albuquerque landfill that will serve the Metro Tagbilaran area TA to study options for more efficient wastewater disposal, including outsourcing to private providers/ firms outside Bohol 	<ul style="list-style-type: none"> City Planning and Development Coordinator City Council Bohol Provincial Government 	

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
2.4 Transportation and Road Network	<ul style="list-style-type: none"> Improved road network and decongested urban centers Improved traffic management and flows 	<ul style="list-style-type: none"> TA to explore financing options for securing road lots required for expansion of existing roads with unclear “deeds of donation” status TA to develop Road Sector Plan, including a review of proposed roads included in the Partnership for Better Infrastructure, such as the construction of a main diversion road TA to explore financing options for the construction of roads, including private sector venture/partnership TA to establish a Traffic Management Office and formulate a traffic management system, including the setting up of proper public terminals (this can include private sector agreements for provision of terminals – i.e. integrated into design of malls and other structures) 	<ul style="list-style-type: none"> Public-Private Partnership (PPP) Center Department of Public Works and Highways Department of Transportation and Communication City Council USAID COMPETE 	<ul style="list-style-type: none"> Can tap COMPETE expertise and experience in infrastructure
3. Production Sectors and Potential Industries				
3.1 Business Enhancement and Support Services	<ul style="list-style-type: none"> Improved support to micro, small and medium enterprises 	<ul style="list-style-type: none"> TA to re-activate Small and Medium Enterprise Development (SMED) Council 	<ul style="list-style-type: none"> City Investment Officer Department of Trade and Industry 	

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
3.2 Human Capital/ Human Resource Development	<ul style="list-style-type: none"> • More responsive skills and competencies of college and vocational-technical courses 	<ul style="list-style-type: none"> • TA to establish city-level skills registry database with linkage to (Bohol) provincial skills registry database • Support in improving courses/ curriculum and training approaches (academic and vocational-technical) to suit industry demand (c/o HEPP Project) 	<ul style="list-style-type: none"> • City Investment Officer • Public Employment Service Office • Bohol Skills Registry Database • Bohol Industry-Academe Governance Council • USAID HEPP • Local universities 	<ul style="list-style-type: none"> • USAID HEPP has established an Industry-Academe Governance Council in Bohol
3.3 Investment Incentives and Promotion Activities	<ul style="list-style-type: none"> • Improved capacity to attract investors • Improved capacity to provide support services to current and potential investors 	<ul style="list-style-type: none"> • TA to establish and design a city-level Investment Promotion Center (initially a joint center with Tourism Promotions) with fully-dedicated officer and adequate staffing, and a virtual (online) counterpart • TA to formulate a Local Investment Incentives Code with specific local investment priority areas, and reconstitution of the City Investment Board • TA to develop in-depth sector profiles and identify investment opportunities • Support in organizing road shows, business forum(s), and other promotions • TA to support city visioning and branding exercises towards becoming a “creative city” 	<ul style="list-style-type: none"> • City Investment Officer • City Tourism Officer • Bohol Investment Promotion Center • Bohol Chamber of Commerce • Bohol Tourism Council • Department of Trade and Industry • City Council 	<ul style="list-style-type: none"> • USAID can use models generated from INVEST Project

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
		<ul style="list-style-type: none"> TA to develop investment schemes and investment products for Overseas Foreign Workers (tapping potential of triennial homecoming festivals; this may include setting up promotion officer in Manila (i.e. akin to the Iloilo Economic Development Foundation (ILED) 		
3.4 Strengthen Tourism Sector	<ul style="list-style-type: none"> Improved tourism attractiveness of the city 	<ul style="list-style-type: none"> Strengthen the re-activated City Tourism Council TA to develop a city-level tourism master plan with clear linkages to provincial tourism initiatives TA to organize tourism packages, utilizing "one barangay, one tourism product" offerings TA to develop new tourism products, including cultural heritage (ancestral houses), sinkholes, and Mabaw Reef 	<ul style="list-style-type: none"> Bohol Tourism Council City Tourism Officer City Investment Officer Department of Trade and Industry USAID COMPETE 	<ul style="list-style-type: none"> COMPETE had supported the development of a Bohol Tourism Recovery Plan Development of Mabaw Reef as a tourist destination already being supported by RARE Foundation
3.5. Development of New Business Opportunities, Growth Areas	<ul style="list-style-type: none"> Better diversified economic activities/ sectors New growth areas identified and developed 	<ul style="list-style-type: none"> TA to formulate a plan for the Tagbilaran airport area (after its transfer to Panglao), possibly as a commercial, mixed use area; this includes sorting out legal issues on land use (original donation documents stipulated the right to use the land for airport use only) TA to study options for the economic use of the provincial capitol area if provincial government offices will move to Cortes 	<ul style="list-style-type: none"> City Investment Officer Bohol Chamber of Commerce Bohol Tourism Council Department of Trade and Industry City Council Private developers 	<ul style="list-style-type: none"> Fiber optics technology has recently been deployed in the city, enabling high-speed Internet connectivity A fabrication facility ("fab lab") is being piloted in Bohol Island State University; the technology is open to potential entrepreneurs for product development

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
		<ul style="list-style-type: none"> • TA to identify potential sectors for development including the following: medical centers and hospitals to attract retirees; niche business process management (BPM) sectors other than call center; manufacturing, including semi-conductors and niche light metal works; health and wellness services, production of organic and high-value crops, agro-processing • Support the ICT Council in developing an Information and Communication Technology Plan for Tagbilaran and Bohol • TA to support logistics and hub services for products in the province ("product consolidators and transit points") • Commission a study to assess feasibility of setting up an economic zone 		

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
4. Cross-Cutting Concerns				
4.1 Private Sector-Government Partnership	<ul style="list-style-type: none"> Improved partnership between city government and private sector 	<ul style="list-style-type: none"> TA to design and establish a formal platform for city government-private sector dialogue (regular engagement) to complement the Local Development Council TA to explore reconstitution of multi-sectoral People's Council (previously chaired by the Vice Mayor) TA to study creation of a multi-stakeholder Review and Evaluation Board specifically for infrastructure projects and utilities Capacity building programs for Bohol Chamber of Commerce and Industry, Inc. 	<ul style="list-style-type: none"> City Investment Officer Bohol Chamber of Commerce Bohol Tourism Council Bohol Association of Hotels, Resorts, and Restaurants City Mayors Office City Vice Mayor's Office Local NGOs 	
4.2. Inter-LGU Cooperation	<ul style="list-style-type: none"> Improved coordination between Tagbilaran and neighboring towns 	<ul style="list-style-type: none"> Conduct activities to support inter-LGU cooperation between "Metro Tagbilaran" LGUs (includes Tagbilaran, Cortes, Mqribojoc, Dawis, Panglao, Lobo, Alburquerque, Loay, Baclayon, and Corella) 	<ul style="list-style-type: none"> Mayors of concerned LGUs Bohol governor's office Congressional Representative of Bohol 1st District 	<ul style="list-style-type: none"> The proposed sanitary landfill in Alburquerque is a promising inter-LGU cooperation project
4.3 Competitiveness Monitoring	<ul style="list-style-type: none"> Increased ability to track crucial indicators of competitiveness 	<ul style="list-style-type: none"> Support in producing, compiling, and analyzing data for the annual Cities and Municipalities Competitiveness Index (CMCI) 	<ul style="list-style-type: none"> National Competitiveness Council Regional Competitiveness Committee City Planning and Development Coordinator Department of Trade and Industry (regional office) 	<ul style="list-style-type: none"> Tagbilaran ranked 28th in the latest CMCI rankings

C. Puerto Princesa City

1. Brief Economic Profile

a. General Information

Puerto Princesa City, the gateway to Palawan, is the province's epicenter for trade, commerce, education and communication. Its location at the center of the province makes it the access point to the northern and southern part of the island. Puerto Princesa is within the growth corridor of the East Asian growth region (being part of the Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area, or BIMP-EAGA) and is an access point to major cities in the country such as Manila, Cebu and Zamboanga City.

Puerto Princesa is the second largest city in the country based on land area with 253,982 hectares. It is composed of 66 barangays with a total population of 222,673 based on the 2010 CPH. It hosts several indigenous groups including the Tagbanwas, Palawanos, Molbogs and the Bataks.

b. Major Industries

The city is endowed with several natural wonders, making it one of the major tourist destinations in the country. It is home to the world-famous Puerto Princesa Subterranean River National Park, Honda Bay, Sabang Beach, and is a transition point to Tubbataha Reef (a UN Heritage site), among others. Given its ecological importance, Puerto Princesa has been declared as a “Biospheric reserve” by the United Nations. The past years have seen a dramatic increase in the influx of both of foreign and local tourists, consequently boosting its local economy. The rise of tourism in the city has also brought in more investments in the city such as five-star hotels and other tourism-related activities. Visitor arrivals almost reached 700,000 in 2013. The opening of the Puerto Princesa International Airport in 2017 is expected to further lure in visitors from around the world.

Other major industries in the city include agriculture and fisheries. Over 10,000 hectares are utilized for farming fruit trees and upland rice. The city is endowed with plenty of fishing grounds and abundant marine resources, including those in Honda Bay, Puerto Princesa Bay, Ulugan Bay, and St. Paul Bay. Almost 80 percent of *barangays* are located in coastal areas. As such, fish and seaweeds are major products and sources of livelihood for the city.

Manufacturing is not considered as a major sector given that only a few manufacturing establishments are present in the city. These are limited to small-scale construction materials (e.g. hollow blocks) and metal works, and furniture and handicrafts production.

c. Economic Performance

Puerto Princesa ranked 89th in the latest CMCI rankings. Although its overall ranking is low, Puerto Princesa performed well on the following specific areas - transparency, economic governance, investment promotion and compliance to national directives for LGUs, and availability of utilities.

Business registrations in the city total more than 8,500 per year with combined investments of more than Php 800 million. As the financial center of the province, the city has 19 banks and more than 80 other financial institutions, including pawnshops and microfinance institutions.

In relation to the city's financial standing, it posted a Php 663-million budget deficit in 2013 which has been reduced to Php 420 million in 2014. The city plans to further reduce this huge deficit.

2. Significant Constraints to Economic Development

a. Infrastructure, Transportation and Mobility

Though the road network that connects Puerto Princesa and the different towns of Palawan has dramatically improved, stakeholders still reported issues with the city's road infrastructure. While the city has a total inventory of 804 kilometers of roads, the presence of secondary and arterial roads is inadequate. There is a need to widen current roads and construct alternative roads, including bypass and/or diversion roads, and additional secondary roads. Traffic congestion is a major problem, especially along the national highway and during rush hour commutes. Major developments, including the construction of the SM mall, will further put pressure on the road network. Moreover, the city reports that the north sector of the city is disconnected from the old *poblacion* due to the lack of proper connecting roads. Given the current financial standing of the city, it has expressed interest in exploring public-private partnerships but require support from external experts.

Better traffic management is likewise recommended by stakeholders as well as improved public transit systems to help ease and provide adequate transport to the population.

Connectivity and travel are expected to improve with the expected completion and opening of the Puerto Princesa International Airport by 2017. This will significantly expand the capacity and upgrade the facilities of the existing airport.

b. Utilities

There is a consensus that power is the most serious constraint to development in the city in particular and in the province in general. Stakeholders reported that supply is not the constraint but the poor, outdated distribution systems of the Palawan Electric Company (PALECO). There is the perception of surplus in power generation, but the recurring distribution problem has resulted to regular blackout and brownouts. The private sector mentioned that many of the resort establishments provide their own electricity through generators because of the unreliability of power in the city. The city cannot also attract technology-based companies because of this issue.

The province has a Joint Energy Development Advisory Group (JEDAG) tasked to address issues on power supply. It is chaired by the provincial governor with the DOE Secretary and Puerto Princesa Mayor as co-chairs, with members coming from the private sector, tourism stakeholders, NGOs and cooperatives. One recommendation is for the JEDAG to support PALECO in securing loans to upgrade systems. To

complement these efforts, stakeholders recommend further developing alternative sources of energy, including renewable sources, such as hydro and solar power. The establishment of a coal power plant needs to be examined as well. Incentives for investors in renewable energy can be included as an investment priority area in the Local Investment Incentives Code (LIIC) (see next part).

Waste water is another concern. Waste water, even hazardous elements from medical facilities and markets, is not disposed properly and even if untreated, goes directly to the sea, thereby increasing the risk of water pollution. This is a major issue since the city and province heavily depend on the quality of the sea for tourism and other economic activities. The city government has identified the need to prepare a master plan for a sewerage system that would serve both north and south sectors of the urban area. One option is to tap available funds under the National Sewerage and Septage Management Program of the Department of Public Works and Highways (DPWH).

In terms of drainage, the city is currently formulating an Urban Storm Drainage Plan, whose implementation is expected to begin in 2015.

c. Government Efficiency and Capacity

Stakeholders report that securing permits from the city hall is not a major issue but the lengthy and cumbersome pre-requisite clearances required before getting the Mayor's permit. In the city and Palawan in general, each business must first secure clearance from the Philippine Council for Sustainable Development (PCSD), Department of Environment and Natural Resources (DENR), and if applicable, National Commission on Indigenous Peoples (NCIP) for possible ancestral domain issues. Securing the Environment Clearance Certificate (ECC) from DENR alone can take at least six months to complete. The city government also indicated the need to improve permitting systems within the local government, including the establishment of a year-round Business One-Stop Shop, automation of systems, and further streamlining processes. In general, the city government had mentioned the need to upgrade systems and correspondingly, train staff that will be tasked to utilize such systems. The city had started computerizing real property assessment and taxation systems.

Stakeholders reported that tax and fee rates are not high but the number of different fees imposed further increases the cost of doing business. They recommended the rationalization of taxes and the review of the existing Local Revenue Code.

Plans and critical ordinances are also outdated. The CLUP was last updated in 2005. Further, plans need to be integrated, including forest land use plans, climate change and disaster risk management plans, transport, and tourism. Capacity building on proper planning methodologies and techniques are recommended.

In relation to investment incentives and promotion, stakeholders also reported that the need to update the current LIIC especially the target investment priority areas and the reactivation of the Investment Board. An investment promotion center was previously operational. The private sector is also strongly recommending the revival of the investment promotion center located within the premises of the coliseum complex, which perhaps can be relocated within the city hall area. This office should provide information usually needed by investors as well as make available a comprehensive set of business

services. Moreover, investment promotions are currently lodged with the CPDO office; hence, it is recommended that the city government designate a fully dedicated local economic and investment office, headed by an officer.

As tourism is the lifeblood of the city's economy, stakeholders recommended the development of a Master Tourism Development Plan. Some stakeholders have also remarked that the current administration failed to sustain previous tourism marketing efforts.

3. Promising Industries (Nascent and Potential for Development)

As reported by stakeholders, potential industries that can be developed are discussed below.

Other Tourism Destinations. The city is currently planning to embark on a massive tourism promotion drive, which includes further development of sites for tourism. One proposal is the development of a 1,072-hectare environmental estate which can host wellness centers, resorts, and accommodations. Another possible project is the conversion of the Iwahig Prison and Penal Farm into a tourist destination. As Sabang village hosts Subterranean River, one of the Seven New Wonders of the World, the city is also looking to develop a large-scale Sabang Complex to be registered with Tourism Infrastructure and Enterprise Zone Authority. Other tourism products, such as establishing pilgrimage tours using designated holy sites in the city, can also be developed. The city is also looking at building an ocean park.

Developing Tourism-related Industries. Related industries, such as crafts and souvenir products, need to be further developed and upgraded as current products sold are of relatively poor quality. One promising sector is weaving native materials, such as rattan, into high-end products by artisans, which DTI can support through its programs.

Agro-processing. While Puerto Princesa may not be a strong agriculture producer, especially of high-value crops, it can specialize in agro-processing. This includes processing of cashews, dried mangoes and seaweed. Similarly, it can take advantage of DTI's shared service facilities which can provide small-scale processing plants, drying facilities, or other equipment. Other products that can be explored include bamboo, coco husks, palm oil, and rubber. The DOST can also be tapped to provide support in packaging technology.

Fisheries and Marine Products. One of the city's greatest assets is the presence of municipal and sea waters that surround the island. Fish farming and cultivation of seaweed crops have been identified as potential initiatives that should further be scaled up. The city government had already started the distribution and installation of fish aggregating devices.

To be more effective, the city should establish fish processing facilities, including cold storage and other equipment. The Korean International Cooperation Agency (KOICA) was supposed to finance the construction of a fish port complex furnished with such facilities in 2013 but diverted funds to Tacloban City when Typhoon Yolanda struck. KOICA had committed to provide financing to support construction in 2015.

The City as a Cruise Destination Point. Star Cruises began its Kota Kinabalu–Puerto Princesa cruise route on November 10, 2014. Aside from existing tourism points in the city, other economic activities such as shops and restaurants can be developed to capitalize on the volume of passengers docking from the city’s port.

Taking Advantage of the Nautical Highway Linkages. The city is part of the national “roll on-roll off” (RORO) nautical highway network but stakeholders have observed that it had not maximized its potential as a shipping hub. The city, together with the Philippine Ports Authority (PPA), can undertake initiatives to attract additional shipping companies to utilize the port as a cargo and logistics hub.

A Retirement Area. Puerto Princesa can explore enticing senior citizens, especially foreigners, to retire in the city. One important consideration of foreign retirees is the presence of hospitals and medical establishments with international standards which is one of the criteria for accreditation by the Philippine Retirement Authority. As such, the city may wish to establish such facilities, spearheaded by the private sector.

4. Significant ODA Projects

a. USAID Projects

The following is a summary of significant USAID projects that have been or are being implemented in the province and city:

- *The Advancing Philippine Competitiveness (COMPETE) Project.* COMPETE is a four-year project which started in October 2012. COMPETE assists the Philippines to improve its competitiveness to attain higher levels of trade and investment. To this end, the Project will provide technical assistance to enhance the regime for infrastructure provision, improve productivity in key industries, and increase access to credit. In Palawan, COMPETE is helping the province develop key agriculture sectors, namely cacao, coffee, and rubber, together with tourism and infrastructure. For example, COMPETE facilitated resource brokering between the Provincial Government of Palawan and Rocky Mountain Arabica Coffee Company for coffee growing in Palawan. COMPETE had also supported planning processes for the development of inter-city/town road networks in the province.
- *Higher Education and Productivity Project (HEPP).* HEPP is a three-year activity that improves the alignment of industry needs with education outcomes and strengthens industry-academe linkages. The project aims to address the skills gap and mismatch, and supply the necessary human resources to support accelerated, broad-based and inclusive growth. With the help of the Philippine Business for Education, the city had embarked on a series of workshops and activities leading to an Industry-Academe Governance Council. On-the-Job (OJT) training guidelines for the tourism sector have also been developed between the industry and academic groups.
- *Science, Technology, Research and Innovation for Development Project (STRIDE).* STRIDE focuses on improving science, technology, research and innovations in primarily Philippine universities. For the city and the province, initial activities were undertaken leading to the development of career centers in Palawan State University, Western Philippines University and Holy Trinity University. Recently, an

innovation workshop was held that brought together government, industry and academe to look at opportunities for innovations in Puerto Princesa and Palawan.

- *Philippines Water Revolving Fund (PWRF)*. In 2010, a USAID Development Credit Authority (DCA)-backed \$2.6 million private loan leveraged \$10 million in public financing under the PWRF for water rehabilitation in the Puerto Princesa City Water District. This rehabilitation will translate to improved water delivery for 117,000 people in 36 villages and the development of new water sources that would grant additional access to 48,000 people by 2014.
- *Ecosystems Improved for Sustainable Fisheries Project (ECOFISH)*. ECOFISH works with political leaders, fisherfolks and private sectors to foster fishing sector reforms towards environmental resiliency and inclusive economic growth. The Project worked with the provincial and municipal governments to manage coastal and marine resources in Calamianes Island.
- *Building Low Emission Alternatives to Develop Economic Resilience and Sustainability Project (B-LEADERS)*. The ultimate goal of the project is to strengthen the capacity of the Philippine government and its key partners to plan, design and implement low emission development strategies contributing to the formulation of Nationally Appropriate Mitigation Actions (NAMAs) in the energy and transport sectors and to a certain extent, the forestry/land- use sectors. B-LEADERS is working in Palawan to increase climate change resilience and mitigation by strengthening capacity and increasing investments into clean energy projects.

b. Other Development Partner-supported Projects

The following are some of the other development partner-supported initiatives in the city and the province:

- The European Commission, through its SWITCH-Asia Programme, had been supporting the implementation of “zero carbon resorts” focused on putting in place minimal investments and modifying business operations of resorts to reduce energy consumption and carbon emissions.
- GIZ, together with DTI had been providing training programs on value chain analysis
- CIDA had supported Puerto Princesa in designing a business one-stop-shop facility for the city hall in processing permits and clearances
- KOICA, as discussed previously, will be financing the development of the upgraded fish port complex in 2015.

5. City Priorities

The current city government had indicated that it is in a “recovery” mode focusing on addressing the previous administration’s unresolved issues such as: (1) the huge budget deficit (Php 663 million); (2) the need to pay contractual obligations estimated at Php 159M, including electric bills of Php 34 million; (3) partial payment of bank loans (Php 235 million out of a total of Php 2.1 billion); (4) addressing garbage problems with the purchase of 625 garbage bins to replace heavily damaged bins.

The city is also currently focusing on infrastructure development, such as concreting of 11.74 kilometers of road and maintenance of about 74 kilometers of gravel roads, and the implementation of electrification projects, especially in small villages. Other plans include development of the proposed Baywalk Public Market, establishment of satellite city halls in four barangay clusters, reclamation of Quito area, renovation of Mendoza Park, implementation of fisherfolk livelihood projects, establishment of the Sabang Complex including Sabang Breakwater, and improvement of Iwahig Prison and Penal Farm as a tourist destination.

6. Potential USAID Assistance Under the CDI

The table below provides a summary of potential assistance that USAID can provide under the CDI with a focus on areas for accelerated local economic growth.

Table 3. Possible USAID Support to Puerto Princesa City under the Cities Development Initiative

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
<i>1. Business Environment</i>				
1.1 Cost of Doing Business/ Regulations and Permits	<ul style="list-style-type: none"> Streamlined business registration from construction to securing a Mayor's Permit Enable more convenient pre- and post-registration processes 	<ul style="list-style-type: none"> TA to streamline construction-related permitting processes and formulation of corresponding policy instruments TA to streamline local business registration processes, including capacity building for staff, creation of one-stop-shops (year-round), automation of systems, linkage to other systems and formulation of corresponding policy instruments TA to study feasibility and necessity of setting up permitting satellite offices and mobile systems given the size of Puerto Princesa TA to establish business-friendly joint inspection teams (pre and post registration) TA to rationalize and streamline additional clearance requirements for businesses in the city, including those from the Philippine Council for Sustainable Development (PCSD), Department of Environment and Natural Resources (DENR), and National Commission on Indigenous Peoples (NCIP), including co-location and deputization arrangements Commission study on role of PCSD and potential amendment of functions Study visits to INVEST cities, other Philippine cities, and other cities abroad (e.g. Singapore, Malaysia), 	<ul style="list-style-type: none"> Building Official Zoning Official Bureau of Fire Protection City Engineer Business Permits and Licensing Officer City Investment Officer City Treasurer Palawan Chamber of Commerce Palawan Tourism Council City Council Philippine Council for Sustainable Development Department of Environment and Natural Resources National Commission on Indigenous Peoples Department of Trade and industry Department of the Interior and Local Government PPP Center 	<ul style="list-style-type: none"> USAID can use models generated from INVEST Project Real Property Assessment system is being computerized Canadian International Agency for Development (CIDA) had previous support to establish a one-stop-shop Majority of city councilors are not allied with the current Mayor

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
		and other training programs		
1.2 Government Efficiency and Capacity	<ul style="list-style-type: none"> Improved planning capacity of the city government Clearer roadmap of city plans for the private sector and other stakeholders 	<ul style="list-style-type: none"> TA to update the Comprehensive Land Use Plan (CLUP) and corresponding Zoning Ordinance (to include unclassified lands) Training programs for the City Planning and Development Coordinator and Planning Office staff TA to support the integration of sector plans (e.g. disaster risk reduction, climate change adaptation, transport, tourism) Training on packaging public-private partnership (PPP) projects Training programs on the operation and use of IT software for city hall staff 	<ul style="list-style-type: none"> City Planning and Development Coordinator Palawan Chamber of Commerce Palawan Tourism Council Local Development Council City Council Local NGOs Local universities 	<ul style="list-style-type: none"> The Comprehensive Land Use Plan was last updated in 2005 Government has expressed interest In developing PPP projects given issues with the city's finances
1.3 Public Finance/ Resources	<ul style="list-style-type: none"> Rationalized taxes charged to business establishments 	<ul style="list-style-type: none"> Study to rationalize taxes, fees, and charges imposed by the city government TA to support revision of the local revenue code 	<ul style="list-style-type: none"> City Treasurer Local finance committee Palawan Chamber of Commerce Palawan Tourism Council City Council 	<ul style="list-style-type: none"> Stakeholders reported that tax and fee rates are not high but have issues with the number of different fees imposed
1.4 Property Rights	<ul style="list-style-type: none"> Clear and robust property rights system in place 	<ul style="list-style-type: none"> TA to facilitate improvements on land titling processes to evolve lands under 'tax declarations' to full titles 	<ul style="list-style-type: none"> City Assessor Register of Deeds/ Land Regulation Authority 	
1.5 Disaster Preparedness	<ul style="list-style-type: none"> Improved resilience and capacity to respond to calamities and disasters 	<ul style="list-style-type: none"> TA to develop a local Disaster Risk Reduction Management plan Training on disaster preparedness TA to formulate storm drainage plan 	<ul style="list-style-type: none"> Designated City Disaster Risk Reduction Management Officer City Environment Officer City Planning and Development Coordinator Palawan Chamber of Commerce 	

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
2. Infrastructure, Utilities, and Mobility				
2.1 Power	<ul style="list-style-type: none"> Improved stability of power supply 	<ul style="list-style-type: none"> TA to the Joint Energy Development Advisory Group to support Palawan Electric Cooperative in securing loans to upgrade systems TA to identify alternative sources of energy and integration into the main power distribution systems, including hydro and solar power TA to study feasibility/cost-benefit analysis of establishing coal power plants. TA to include renewable energy as one of the local investment priority areas under the local investment incentives code (see 3.3) and formulate appropriate incentives Support in scaling up “zero carbon” technology to other resorts and establishments 	<ul style="list-style-type: none"> Palawan Electric Cooperative (PALECO) National Grid Corporation of the Philippines City Planning and Development Coordinator USAID COMPETE City Council 	<ul style="list-style-type: none"> Stakeholders report that the issue is not supply of electricity but outdated distribution systems (PALECO) Can tap COMPETE expertise and experience in infrastructure City has been given clearance to set up hydro and solar power facilities GIZ , EU currently supporting “zero carbon resorts”
2.2 Water and Sanitation	<ul style="list-style-type: none"> Improved water supply 	<ul style="list-style-type: none"> TA to support upgrading of water systems in rural barangays (from Levels I and II to Level III) 	<ul style="list-style-type: none"> Water District City Planning and Development Coordinator USAID COMPETE 	<ul style="list-style-type: none"> Can tap COMPETE expertise and experience in infrastructure Stakeholders did not report significant issues in water supply
2.3 Waste Management (Solid and Liquid)	<ul style="list-style-type: none"> Improved solid waste management Improved waste water management 	<ul style="list-style-type: none"> TA to review and update solid waste management plan TA to explore establishment of waste water treatment plant and determine possible financing options, including private sector partnership (PPP) Support in facilitating negotiations with Department of Public Works and Highways (DPWH) to tap fund for 	<ul style="list-style-type: none"> City Planning and Development Coordinator City Council Governor’s Office DPWH 	

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
2.4 Transportation and Road Network	<ul style="list-style-type: none"> Improved road network and decongested urban centers Improved traffic management and flows 	<p>sewerage treatment plant</p> <ul style="list-style-type: none"> TA to develop a road network plan to widen critical roads, construct diversion and secondary roads; this includes exploring various financing options, including PPP modalities TA to improve traffic management for the city Study to improve public transportation options, including small-scale mass transit systems and evolution of public utility vehicles (e.g. introduction of LPG-powered vehicles or electric tricycles) TA to develop strategies to increase shipping activities (attract additional companies) 	<ul style="list-style-type: none"> City Planning and Development Coordinator Department of Public Works and Highways Department of Transportation and Communication Philippine Ports Authority 	<ul style="list-style-type: none"> Can tap COMPETE expertise and experience in infrastructure
3. Production Sectors and Potential Industries				
3.1 Business Enhancement and Support Services	<ul style="list-style-type: none"> Improved ability of small and micro enterprises to sustain their businesses 	<ul style="list-style-type: none"> Support to organization and capacity building of cooperatives, especially in the agriculture and fisheries sector, including mango growers Training on value chain analysis and clustering methods TA to increase access to credit for micro and small entrepreneurs in partnership with the local Chamber and Bankers Association TA in organizing regular trade fairs and establishing designated trading centers 	<ul style="list-style-type: none"> City Agriculture Office City Planning and Development Coordinator Palawan Chamber Palawan Bankers Association Cooperative Development Authority Local NGOs (e.g. Palawan NGO Network) 	<ul style="list-style-type: none"> DTI, GIZ had previously conducted training on value chain analysis

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
3.2 Human Capital/ Human Resource Development	<ul style="list-style-type: none"> More responsive skills and competencies of college and vocational-technical courses 	<ul style="list-style-type: none"> Support in improving courses/ curriculum and training approaches (academic and vocational-technical) to suit industry demand (c/o HEPP Project), including supervisory levels for tourism enterprises 	<ul style="list-style-type: none"> City Investment Officer Public Employment Service Office Industry-Academe Governance Council 	<ul style="list-style-type: none"> USAID HEPP is actively supporting industry-academe linkages
3.3 Investment Incentives and Promotion Activities	<ul style="list-style-type: none"> Improved capacity to attract investors Improved capacity to provide support services to current and potential investors 	<ul style="list-style-type: none"> TA to re-establish and re-design city-level Investment Promotion Center with fully-dedicated officer and adequate staffing, and a virtual (online) counterpart with full investor information TA to update Local Investment Incentives Code with specific local investment priority areas, and the revival of the City Investment Board TA to develop in-depth sectoral profiles and identify investment opportunities Support in organizing road shows, business forum(s), and other promotions 	<ul style="list-style-type: none"> City Investment Officer City Tourism Officer Palawan Chamber of Commerce Palawan Tourism Council Department of Trade and Industry City Council 	<ul style="list-style-type: none"> The city previously had an Investment Promotion Center within the coliseum premises
3.4 Strengthen Tourism Sector	<ul style="list-style-type: none"> Improved tourism attractiveness of the city 	<ul style="list-style-type: none"> Support in reviving tourism promotion activities TA to develop Master Tourism Development Plan, including development of new tourism products (e.g. pilgrimage sites), analysis of upstream and downstream industries (e.g. furniture, crafts, souvenir) and product development, and capacity building of stakeholders (producers) TA to support development of Sabang Complex (to be registered under Tourism Infrastructure and 	<ul style="list-style-type: none"> Palawan Tourism Council Palawan Chamber of Commerce City Tourism Officer Department of Trade and Industry Tourism Infrastructure and Enterprise Zone Authority USAID COMPETE 	<ul style="list-style-type: none"> Can tap expertise and experience of COMPETE in tourism

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
		Enterprise Zone Authority) <ul style="list-style-type: none"> • TA to establish community-based tourism products (c/o COMPETE) • TA to create economic activities anchored on destination point of Star Cruises 		
3.5. Development of New Business Opportunities, Growth Areas	<ul style="list-style-type: none"> • Better diversified economic activities/ sectors • New growth areas identified and developed 	<ul style="list-style-type: none"> • TA to develop comprehensive plan for maximizing 1,072-hectare environmental estate for commercial activities (e.g. wellness centers, resorts, accommodations, etc.) • TA to evolve Iwahig Prison and Penal Farm as a tourist destination • TA to support design and construction of integrated fish port with adequate support facilities, including food processing equipment, cold storage, etc. (c/o Korean International Cooperation Agency (KOICA)) • TA to support training and implementation of technology in food processing, especially agri-based products such as cashews, seaweed, coconut, rubber, palm oil, mango, and bamboo • Support in product development and packaging technologies for promising niche products (e.g. crafts, high-value in fabrics and weaving, rice wine, etc.), including provision of demo labs in universities and support in the development of processing facilities in coordination with DTI and DOST • TA to DTI to identify high-impact 	<ul style="list-style-type: none"> • City Investment Officer • Chamber of Commerce • Department of Trade and Industry • Department of Science and Technology • City Council • Private developers • Provincial Investment Promotion and Business Assistance Center • Provincial Economic Enterprise Development Office 	<ul style="list-style-type: none"> • KOICA was supposed to finance the construction of the fish port in 2013 but diverted funds to Tacloban when Typhoon Yolanda occurred; KOICA has committed to provide financing to support construction in 2015

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
		shared service facilities and site locations <ul style="list-style-type: none"> Support in the provision of technology for scaling up production of fisheries and marine-based industries (e.g. in Honda Bay) 		
		<ul style="list-style-type: none"> TA to realize the city as a hub for processing and shipping (cargo hub) given its inclusion in the 'Roll-on Roll-Off' nautical highway TA to develop Baywalk area into a revenue-generating business area; explore financing options for establishments Support in exploring establishment of medical centers to attract retirees TA to identify other potential sectors for development 		
<i>The 4. Cross-Cutting Concerns</i>				
4.1 Private Sector-Government Partnership	<ul style="list-style-type: none"> Improved partnership between city government and private sector 	<ul style="list-style-type: none"> TA to design and establish formal platform for city government-private sector dialogue (regular engagement) to complement the local development council 	<ul style="list-style-type: none"> City Investment Officer Palawan Chamber of Commerce Palawan Tourism Council City Mayors Office Local NGOs 	
4.2 Competitiveness Monitoring	<ul style="list-style-type: none"> Increased ability to track crucial indicators of competitiveness 	<ul style="list-style-type: none"> Support in producing, compiling, and analyzing data for the annual Cities and Municipalities Competitiveness Index 	<ul style="list-style-type: none"> National Competitiveness Council Regional Competitiveness Committees City Planning and Development Coordinator Department of Trade and Industry (regional office) 	<ul style="list-style-type: none"> Puerto Princesa ranked 89th in the latest CMCI rankings

D. Tacloban City

1. Brief Economic Profile

a. General information

Tacloban City, the capital of Leyte, is located in the province's northeastern tip across Samar province. It is situated about 580 kilometers southwest of Manila. As one of the five regional urban centers in the Visayas Region. Tacloban serves as Leyte and Eastern Visayas' center of commerce, trade, government, education, tourism, and communication. The city's total land area is 201.17 km² spread across 138 *barangays*.

As of the 2010 CPH, the first class city's population reached 221,174 people with 46,078 households. Stakeholders reported, at least prior to Typhoon Yolanda, that 'daytime population' can even reach up to one million. About 90 percent of the population speak Waray-Waray as their native dialect.

b. Major Industries

The services sector is strong in Tacloban with many engaged in trading. Stakeholders mentioned that many residents from the region purchase commodities in bulk from the city. Robinson's Land opened up the Robinson's Place Mall in 2009 with Gaisano Central following shortly after. Such establishments also offer dining and recreation options.

Aside from city, provincial, and regional government offices in Tacloban and adjacent Palo District, Tacloban is a regional center for education. It is home to 19 tertiary-level institutions, most notably University of the Philippines Visayas-Tacloban College.

Tourism, prior to Typhoon Yolanda, was also a major industry. Just outside the city is the well-known Leyte Landing/MacArthur Park. Within the city, the Price Mansion, the official residence of General MacArthur, contains memorabilia from World War II. Tacloban is also the gateway to San Juanico bridge, the 2-kilometer bridge that connects the city to Samar. Other notable tourist sites include the Sto. Niño Shrine and Heritage Museum, Sto. Niño Church, San Juanico Park, Golf and Country Club, and Madonna of Japan.

c. Economic Performance

Tacloban ranked 43rd in the latest CMCI rankings, part of the upper third of cities included in the survey. It showed high marks for its capacity to generate employment for the local population, the large size of the economy, transparency score, security, the presence of accommodations with international standards, the city center's distance from air and seaports, and availability of utilities. Prior to Typhoon Yolanda, the Daniel Z. Romualdez Airport was the 6th busiest airport in the country.

The CMCI rankings revealed points for improvement in the city's infrastructure, such as schools for basic education, health facilities, and the need to increase the budget allocated for infrastructure. Initiatives on investment promotion can likewise be improved and the city needs to address inflation issues.

As the city is the region's financial center, Tacloban hosts a total number of 50 banking institutions and more than 80 other financial institutions, including pawnshops and microfinance institutions.

As the region's economic driver, Tacloban has been recognized as one of the economic bright spots of the country. In July 2010, the city ranked fifth in overall competitiveness in the Asian Institute of Management Policy Center's Philippine Cities Competitiveness Ranking Project and second in the category on "emerging cities." In 2011, it ranked 7th among the country's 34 highly urbanized cities in DILG's LGPMS.

Business registrations in Tacloban City before Typhoon Yolanda, was averaging more than 13,000 per year, consisting of new registrations and renewal of permits. Because businesses were significantly affected by the disaster, registrations at least in the first quarter of 2014 fell by 64 percent, from 5,106 to 1,820 applications.

The city also needs to improve the collection of local revenues. IRA release for 2013 amounted to Php 424 million, more than double the total own-source revenues collected by the city.

d. Recent Developments

In November 2013, Typhoon Yolanda (*Haiyan*) hit the country with the worst impact felt across the Eastern Visayas Region. Wind speeds reached more than 378 km/hr with storm surges up to 6 meters high. Estimates suggest that around 26 percent of 3 million families or 14 million people affected in the region were residing in the city at the time the typhoon struck. Moreover, total damage was estimated at Php 69 billion.⁷ Around 30,513 houses in Tacloban City, mostly located along the coast, were totally damaged with one third belonging to the urban poor segment. Power and water supplies were likewise affected temporarily.

The city is still gradually recovering from the damage the wrought by the storm. As of April 2014, 6,000 still stay in tents, evacuation centers, and other temporary shelters. Many of the city government staff were also affected with lives lost and houses and other assets destroyed.

2. Significant Constraints to Economic Development

a. Infrastructure, Transportation and Mobility

The city government and other stakeholders mentioned traffic congestion as a critical issue in Tacloban city. Congestion due to the narrow widths of roads is exacerbated by the practice of utilizing streets as parking spaces and the lack of an integrated public terminal. Aside from plans to widen critical roads (e.g. Maharlika highway), the city wants to explore establishing a mass transit system that connects the north, mid, and south coasts. Better traffic management may also contribute to alleviating congestion.

One concern of businesses and consumers is the difficulty of the Tacloban City seaport. in accommodating large vessels due to the San Juanico bridge. It is also unable to

⁷ Tacloban Recovery and Rehabilitation Plan (May 2014).

facilitate evening trips given the lack of navigational aids for such travels. Several stakeholders revealed that the insufficient capacity of the port has led to higher cost of commodities. For instance, a bar of bath soap in the city will cost at least a few pesos higher than in other major urban centers. The city government has expressed its desire to construct a new port in the Babatngon area, located in the north coast of the city.

b. Utilities

Water supply is a significant issue in the city. Supply is provided by the Leyte Water District which is inadequate for the city's needs. Estimates suggest that water supply only cover 35 percent of the city's requirements. Stakeholders reported that this scenario may be difficult to resolve in the long-term given the local political issues which have affected some businesses. Stakeholders recommended exploration of new water supply sources, including water tanks, productive well sites, and small water impounding basin sites.

Electricity is not an issue in the city and province. The area only temporarily had power issues during the typhoon and its aftermath but the Leyte grid is an exporter of power. Other cities, such as Tagbilaran and the province of Bohol source their power needs from Leyte.

c. Government Efficiency and Capacity

Stakeholders did not report that securing permits from the city hall, even before Typhoon Yolanda, was a cumbersome process. However, several groups suggested the need to revisit the business permitting system to identify areas for improvements. GIZ, as discussed in Part 4, had already supported the city in streamlining its business registration process. The International Finance Corporation has also provided initial guidance under their Regulatory Simplification Project. To prepare for investments in the long-term, Tacloban City should likewise review the process for securing construction-related permits (i.e. building permits and certificates of occupancy) as these typically take the city weeks or months to process.

Stakeholders also suggested updating of the city's CLUP which needs to identify areas for establishing economic zones with corresponding ports. Stakeholders also recommended upgrading the technology and equipment of the city hall and correspondingly, the training of city hall staff. One area specified for training is on public financial management.

On the overall capacity of the city government, it had been noted that the city has experienced difficulty in hiring professionals. Also, many of the experienced and knowledgeable staff have themselves been directly impacted by Typhoon Yolanda.

3. Promising Industries (Nascent and Potential for Development)

As reported by stakeholders, potential industries that can be developed are discussed below.

Mixed Use Economic Zone/Growth Area. The Eastern Visayas Regional Growth Center (EVRGC), a 237-hectare agro-industrial property, is an economic zone (as approved by

the Philippine Economic Zone Authority and proclaimed by a Presidential proclamation in 1998) located around 7 kilometers from the city center. The city government and other stakeholders have mentioned that since then, the area has not been developed and used, with no locators having established businesses in the area. After Typhoon Yolanda, the city government allotted a significant area in the zone for housing and resettlement. Further studies have suggested that only around 20 hectares of the area is “buildable.” The city government and other stakeholders would like to study the feasibility of utilizing existing buildable area in the current EVRGC for commercial enterprises (e.g. light agro-industrial center) and/or establishing a new ecozone area in the North Coast with access to port facilities (e.g. proposed Babatngon port as discussed in Part 2).

Manufacturing. Tacloban city can serve as a manufacturing hub in the region. It has shown potential for this sector, having previously hosted a large phosphate fertilizer company. Even before the EVRGC or a new economic zone is developed, the city can develop strategies to invite manufacturing plants to locate in the area.

Agriculture, Fisheries and Agro-processing. The city and the province have been acknowledged as key producers of coconut, abaca, and palay. Stakeholders recommended diversifying the crop mix to introduce other higher-value crops. Similarly, Tacloban can revive its fishing industry, which was disrupted during Typhoon Yolanda. Fish cages and other tools which fisherfolk rely on for livelihood were destroyed.

The city can also play the role of a consolidator of agriculture crops and marine products for processing to generate higher-value added products. The city can take advantage of DTI’s program of deploying shared service facilities for agro-processing. To further develop this sector, stakeholders recommended the development of an Agribusiness Development Plan.

Trading. As Tacloban City is the commercial center of the province and the region, it had traditionally been a trading hub. Stakeholders suggested that the city can reclaim this role through the development of a main trading center in the city with ancillary services, such as slaughterhouses, warehouses, cold storage, restaurants, and transport terminals.

4. Significant ODA Projects

a. USAID Projects

The following is a summary of significant USAID projects that have been or are being implemented in the city:

- *REBUILD Project.* The REBUILD Project, launched in June 2014, is USAID’s direct support to reconstruction and rehabilitation activities in Tacloban City, and other areas in the region affected by Typhoon Yolanda. The project supports reconstruction of education infrastructure through the construction of up to 165 typhoon and earthquake-resilient classrooms in coordination with the Department of Education and concerned LGUs and construction and rehabilitation of up to 10 health facilities. REBUILD is also focused on reviving economic opportunities of affected population through livelihood interventions, including support to 3,000 farmers for production of short-term food crops and training on climate-adaptive

technologies, support to 5,000 fisherfolk for high value mariculture and aquaculture production, and reconstruction or re-stocking of inventory for micro and small-scale stores (i.e. *sari-sari* stores) in partnership with the private sector.

- *Water Security for Resilient Economic Growth and Stability Project (BE SECURE)*. BE SECURE is a “a four-year activity that seeks to promote good governance and build capacity for long-term water security, improve access to water and wastewater treatment services, and build more resilient communities.⁸” The project has not launched any activities in Tacloban City but it had recently conducted initial discussions with the city and the REBUILD Team. BE SECURE may be in a position to provide support to the city as water supply had been identified as a key issue in the city.
- *Livable Cities Design Challenge*. Tacloban City participated in the recently concluded Livable Cities Design Challenge, an initiative spearheaded by USAID in partnership with National Competitiveness Council, APEC 2015, Asia Society, Urban Land Institute, World Wildlife Fund, Alliance for Safe and Sustainable Reconstruction, and Microsoft. The city competed in the “disaster-resilient government center” category.

b. Other Development Partner-supported Projects

Prior to Typhoon Yolanda, GIZ already had significant engagement with Tacloban City and other areas in Eastern Visayas through its Local and Regional Economic Development (LRED) Program. The program, implemented from 2008 to 2012 supported improvements in the business climate of cities and municipalities, including putting in place streamlined business permitting systems, capacity building on value chain analysis, market development, and investment promotion, and facilitating financing for small and medium enterprises. GIZ has continued its support to Tacloban City. They committed to assist the emerging Business Recovery/ Resource Center in partnership with the Leyte and Tacloban City Chambers of Commerce, city government, and DTI by financing staff complement for the facility.

At present, Tacloban City is currently benefiting from assistance provided by development partners, international NGOs, and local partners, which are mostly concerned with post-Haiyan/Yolanda humanitarian and rehabilitation assistance. Some of these are the following:

- Soft loans from the World Bank for rehabilitation of the slaughterhouse and solid waste management systems;
- Rebuilding of dikes supported by JICA;
- Rehabilitation and construction of classrooms and housing from KOICA; and
- Soil test studies supported by AusAID and JICA.

One of the significant efforts from international partners on the long-term recovery front is the support provided by UN-HABITAT. Through its support, the city government, in collaboration with various stakeholders formulated the Tacloban Recovery and Rehabilitation Plan (TRRP), completed in May 2014.

⁸ <http://www.usaid.gov/philippines/energy-and-environment/be-secure>

The TRRP is a comprehensive document that helps Tacloban identify immediate actions for recovery and rehabilitation as well as long-term actions for sustainable development post-Yolanda. The plan's framework as illustrated in the TRRP document (see Figure 2), identifies four key result areas, namely economic, social and shelter, infrastructure, and environment. A cross-cutting area is good governance which is a key requirement to adequately realize the other identified sectors. Many of the identified potential USAID areas for intervention take off from the plans identified in the TRRP as these have been identified by the city as its priorities.

Figure 2. Tacloban City Recovery and Rehabilitation Plan Framework.



Source: Tacloban Recovery and Rehabilitation Plan (2014). Lifted directly from the document

5. City Priorities

Some of the important priorities of the city are summarized below. These have been indicated in the TRRP and from interviews with stakeholders conducted in November 2014.

Short-term rehabilitation and recovery

- Resettlement of affected families whose homes were destroyed during Typhoon Yolanda
- Reconstruction of education and health facilities
- Provision of short-term livelihood support to typhoon-affected families, especially farmers and fisher folk

Infrastructure Transportation, and Utilities

- Road widening of Maharlika Highway and other key routes
- Construction of four-lane road with sturdy shore protection structure in the South Coast
- Development of public transit system connecting north, mid, and south districts
- Development of new water sources
- Establishment of new port in Babatngon
- Establishment of integrated food terminal

- Establishment of new sanitary land fill

Economic Development, Livelihood, and Business Support

- Development of EVRGC as light agro-industrial center
- Development of new growth/ economic zone area in the North Coast
- Establishment of a main trading center

Environment and Disaster Risk Reduction

- Development of DRRM Plan, including design/ establishment of early warning system
- Conduct of vulnerability and risk assessments

6. Potential USAID Assistance Under the CDI

The table below provides a summary of potential assistance that USAID can provide under the CDI with a focus on areas for accelerated local economic growth.

Table 4. Possible USAID Support to Tacloban City under the Cities Development Initiative

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
<i>1. Business Environment</i>				
1.1 Cost of Doing Business/ Regulations and Permits	<ul style="list-style-type: none"> Streamlined business registration from construction to securing Mayor's permit Enable more convenient pre and post-registration processes 	<ul style="list-style-type: none"> TA to review current local business registration processes and propose potential streamlining improvements, including provision of adequate staff complement, creation of one-stop-shops, automation of systems, linkage to other systems and formulation of corresponding policy instruments TA to streamline construction-related permitting processes and formulation of corresponding policy instruments TA to establish business-friendly joint inspection teams (pre- and post-registration) Study visits to INVEST cities, other Philippine cities, and other cities abroad (e.g. Singapore, Malaysia), and other training programs 	<ul style="list-style-type: none"> Building Official Zoning Official Bureau of Fire Protection City Engineer Business Permits and Licensing Officer City Investment Officer City Treasurer Leyte and Tacloban Chambers of Commerce Department of Trade and Industry Department of the Interior and Local Government 	<ul style="list-style-type: none"> USAID can use models generated from INVEST Project Before Yolanda, there were efforts to streamline and automate the registration process, supported by GIZ (LRED project) IFC has provided initial guidance on BPLS reforms under their Regulatory Simplification – this can be complemented by USAID support
1.2 Government Efficiency and Capacity	<ul style="list-style-type: none"> Improved planning capacity of city government Clearer roadmap of city plans for private sector and other sectors Improved capacities of city hall staff 	<ul style="list-style-type: none"> TA to update Comprehensive Land Use Plan (CLUP) and corresponding Zoning Ordinance Training programs for City Planning and Development Coordinator and Planning Office staff TA to support the computerization of systems in the city hall and corresponding training activities for the staff Training activities on public financial management for local government units (LGUs) 	<ul style="list-style-type: none"> City Planning and Development Coordinator Budget Officer City Treasurer Leyte and Tacloban Chambers of Commerce Local Development Council City Council Local NGOs Local universities 	<ul style="list-style-type: none"> City officials are still reeling from the effects of Yolanda; many city government officials have been affected, including the City Planning and Development Coordinator City government has mentioned difficulty in hiring professionals to be part of city government

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
1.3 Disaster Preparedness	<ul style="list-style-type: none"> Improved resilience and capacity to respond to calamities and disasters 	<ul style="list-style-type: none"> TA to support the preparation of a local Disaster Risk Reduction Management plan TA to support the conduct of vulnerability and risk assessment of urban coastal areas TA to support a review of the drainage system master plan and flood control structures along major rivers 	<ul style="list-style-type: none"> Designated City Disaster Risk Reduction Management Officer City Environment Officer City Planning and Development Coordinator Leyte and Tacloban Chambers of Commerce UN-OCHA UN-HABITAT 	<ul style="list-style-type: none"> Other donors might be supporting the development of DRRM Plan, design/ establishment of early warning system, and/ or conduct of vulnerability and risk assessments
2. Infrastructure, Utilities, and Mobility				
2.1 Water and Sanitation	<ul style="list-style-type: none"> Improved water supply (improved coverage to more than 35 percent of households) 	<ul style="list-style-type: none"> TA to pursue exploration of new water supply sources as identified in the Tacloban Recovery and Rehabilitation Plan (TRRP), including water tanks, productive well sites, and small water impounding basin sites (possibly c/o BE SECURE) Facilitate discussions between Leyte Water District and Tacloban City officials 	<ul style="list-style-type: none"> City Planning and Development Coordinator USAID BE SECURE Leyte Water District 	<ul style="list-style-type: none"> There may be political issues between Leyte Water District and Tacloban City Government USAID BE SECURE can provide assistance for water and sanitation concerns (group has already coordinated with Tacloban officials)
2.2 Waste Management (Solid and Liquid)	<ul style="list-style-type: none"> Improved solid waste management Improved waste water management 	<ul style="list-style-type: none"> TA to help in the review of solid waste management program TA to support studies to identify possible areas for the construction of a new sanitary landfill TA to support a review of the septage management plan TA to support a feasibility study on proposed city-wide hospital waste management plan 	<ul style="list-style-type: none"> City Planning and Development Coordinator City Council City Environment Officer City Health Officer 	<ul style="list-style-type: none"> World Bank has provided a small loan for solid waste management Many of these proposed infrastructure projects are included in the TRRP

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
2.3 Transportation and Road Network	<ul style="list-style-type: none"> Improved road network and decongested urban centers Improved traffic management and flows 	<ul style="list-style-type: none"> TA to support the design and development of financing options (including PPP modalities) for targeted road improvements, including road widening of Maharlika highway and other key routes, and 4-lane road with sturdy shore protection structure between mid and south coasts TA to assess the feasibility of constructing a new port in Babatngon (North Coast) including the development of financing options, e.g. PPP TA to study feasibility of a mass transit system connecting the north, mid, and south coasts TA to develop an integrated transport terminal Support the immediate restoration of the bus terminal in Abucay (possibly c/o REBUILD) TA to improve traffic management for the city 	<ul style="list-style-type: none"> City Planning and Development Coordinator Department of Public Works and Highways Department of Transportation and Communication USAID COMPETE USAID REBUILD 	<ul style="list-style-type: none"> Can tap COMPETE and REBUILD's expertise and experience in infrastructure These proposed road infrastructure projects are included in the TRRP The current main port cannot accommodate large shipping barges and is not operational at night thus constraining potential trade volume

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
3. Production Sectors and Potential Industries				
3.1 Business enhancement and support services	<ul style="list-style-type: none"> Improved ability of small and micro enterprises to rehabilitate and sustain their businesses 	<ul style="list-style-type: none"> Support in the rehabilitation of public markets, fish port, and fish cages TA to study the feasibility of an Integrated Food Terminal near San Juanico bridge TA to explore the establishment of city-level Small and Medium Enterprise Development (SMED) Council Commission study to revive the agriculture industry in city and province, especially on coconut, abaca, and <i>palay</i> TA to develop agri-business plan for the city and province Training on industry clustering approaches for emerging sectors 	<ul style="list-style-type: none"> City Agriculture Office DTI City Planning and Development Coordinator Leyte and Tacloban Chambers Local NGOs (e.g. Eastern Visayas NGO Network) USAID REBUILD 	<ul style="list-style-type: none"> USAID REBUILD has been implementing livelihood projects on agriculture and aquaculture to Yolanda-affected farmers and fisherfolk, as well as supporting recovery of MSMEs; this can be used as a model and be replicated for other households
3.2 Human Capital/ Human Resource Development	<ul style="list-style-type: none"> Enhanced research capacity of universities and aligned support to industry 	<ul style="list-style-type: none"> Support research institutions and facilitate linkages with industry to develop new products or improve current technologies (possibly c/o STRIDE) 	<ul style="list-style-type: none"> City Investment Officer Public Employment Service Office Industry-Academe Governance Council STRIDE HEPP/ PBE 	<ul style="list-style-type: none"> USAID STRIDE can support universities in improving their research capacities NEDA reports the lack of researchers in local universities

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
3.3 Investment Incentives and Promotion Activities	<ul style="list-style-type: none"> Improved capacity to attract investors Improved capacity to provide support services to current and potential investors 	<ul style="list-style-type: none"> TA to support the design of the center and portfolio of services (e.g. information database, market facilitation, market intelligence, aftercare services, etc.) of Business Assistance/ Recovery/ Resource Center (partnership between (DTI, Chamber, city government) to be established (with online/ virtual counterpart) TA to review the existing Local Investment Incentives Code with specific local investment priority areas TA to develop in-depth sectoral profiles and identify investment opportunities Support in organizing road shows, business forum(s), and other promotions 	<ul style="list-style-type: none"> City Investment Officer Leyte and Tacloban Chambers of Commerce Department of Trade and Industry City Council 	<ul style="list-style-type: none"> GIZ will be providing financial support for staffing in the Business Recovery/ Resource Center
3.4 Strengthen Tourism Sector	<ul style="list-style-type: none"> Improved tourism attractiveness of the city 	<ul style="list-style-type: none"> TA to develop a Tourism Master Plan and corresponding policy issuances TA to enhance existing tourism sites and develop new tourism products 	<ul style="list-style-type: none"> Leyte and Tacloban Chambers of Commerce City Tourism Officer DTI COMPETE 	<ul style="list-style-type: none"> Can tap expertise and experience of COMPETE in tourism

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
3.5. Development of new business opportunities, growth areas	<ul style="list-style-type: none"> Better diversified economic activities/ sectors New growth areas identified and developed 	<ul style="list-style-type: none"> TA to study the feasibility of utilizing existing buildable area in the current Eastern Visayas Regional Growth Center ecozone for commercial enterprises (e.g. light agro-industrial center) and/or new ecozone area in the North Coast with access to port (e.g. proposed Babatngon port) TA to develop strategies for agriculture diversification, including agro-processing and corporate agriculture and aquaculture farms TA to study feasibility of constructing a main trading center in the city with ancillary services, such as slaughterhouses, warehouses, cold storage, restaurants, and transport terminals TA to identify other potential sectors for development, such as manufacturing and IT industries 	<ul style="list-style-type: none"> City Investment Officer Leyte and Tacloban Chambers of Commerce Department of Trade and Industry Department of Science and Technology City Council 	<ul style="list-style-type: none">
4. Cross-Cutting Concerns				
4.1 Private Sector-Government Partnership	<ul style="list-style-type: none"> Improved partnership between city government and private sector 	<ul style="list-style-type: none"> TA to support capacity building of newly-created city-level business group (Tacloban Chamber) TA to design and establish a formal platform for city government-private sector dialogue (regular engagement) 	<ul style="list-style-type: none"> City Investment Officer Leyte and Tacloban Chambers of Commerce Local NGOs 	<ul style="list-style-type: none"> The Tacloban City Chamber of Commerce was created in November 2014
4.2 Inter-LGU cooperation	<ul style="list-style-type: none"> Improved collaboration between Tacloban and neighboring towns 	<ul style="list-style-type: none"> TA to explore formal/ informal "Metro Tacloban" arrangements (this can be limited to inter-LGU cooperation arrangements and not a metro-level authority) 	<ul style="list-style-type: none"> Mayors of Tacloban, Alangalang, Babatngon, Palo, San Miguel, Santa Fe, Tanauan, Tolosa Leyte 1st District Congressional Representative 	<ul style="list-style-type: none"> The Metro Tacloban concept was floated previously

Area	Desired Outcome/s (based on identified needs)	Possible USAID support	Stakeholders to be Involved (initial identification)	Other Remarks
4.3 Competitiveness Monitoring	<ul style="list-style-type: none"> Increased ability to track crucial indicators of competitiveness 	<ul style="list-style-type: none"> Support in producing, compiling, and analyzing data for the annual Cities and Municipalities Competitiveness Index (CMCI) 	<ul style="list-style-type: none"> National Competitiveness Council Regional Competitiveness Committee City Planning and Development Coordinator Department of Trade and Industry (regional office) 	<ul style="list-style-type: none"> Tacloban ranked 43rd in the latest CMCI rankings

ANNEX 1
STAKEHOLDERS CONSULTED DURING SCOPING MISSIONS
(OCTOBER TO NOVEMBER 2014)

Tagbilaran City: October 8-10, 2014

1. John Geesnell “Baba” L. Yap II, City Mayor, Tagbilaran City Government
2. Leonides Borja, City Administrator, Tagbilaran City Government
3. Matthew Nemenzo, Chief of Staff, Tagbilaran City Government
4. Estella Margate, City Planning and Development Coordinator, Tagbilaran City Government
5. Samuel Belderol, Business Permits and Licensing Officer, Tagbilaran City Government
6. Jeanette Busano, City Mayor’s Office, Tagbilaran City Government
7. Liza Quirog, Provincial Agriculturist, Bohol Provincial Government
8. Maria Fe Dominise, Head, Bohol Investment Promotion Center
9. Lucas Nuñag, President, Bohol Tourism Council
10. Marietta Gasatan, past President, Bohol Chamber of Commerce and Industry
11. Deodato Butawan, President, Bohol Bankers Association
12. Emilia Roslinda, Bohol Alliance of Non-Government Organizations
13. Blair Panong, Division Chief, Department of Trade and Industry-Bohol
14. Loisella Lucino, Provincial Director for Bohol, Department of the Interior and Local Government
15. Enrico Basilio, USAID COMPETE Project*
16. Cherry Rodolfo, USAID COMPETE Project*
17. Ronilo Balbieran, USAID COMPETE Project*

Puerto Princesa City: October 23-24, 2014 and November 10, 2014

1. Lucilo Bayron, City Mayor, Puerto Princesa City Government
2. Matthew Mendoza, Councilor and Chairperson, Committee on Tourism, Puerto Princesa Government
3. Elena Rodriguez, City Administrator, Puerto Princesa City Government
4. Colorado Saucelo, Flagship Projects Officer, Puerto Princesa City Government
5. George Vasquez, Assistant City Planning and Development Coordinator, Puerto Princesa Government
6. Melinda Mohamad, Supervising Tourism Officer, Puerto Princesa City Government
7. Heather Tejada, City Mayor’s Office, , Puerto Princesa City Government
8. Jose Alvarez, Governor, Palawan Government
9. Alma Valledor, Provincial Planning and Development Office, Palawan Government

* Consultation held in Manila before/ after scoping mission.

10. Monica de Guzman, Provincial Planning and Development Office, Palawan Government
11. Mary Lynn Garduque, Provincial Economic Enterprise Development Office, Palawan Government
12. Deborah Tan, President, Palawan Tourism Council*
13. Cristina Matta, Member, Palawan Tourism Council*
14. Lulu Jaleco, Member, Palawan Tourism Council*
15. Angie Mendoza, Secretary, Palawan Tourism Council
16. Rene Suarez, Member, Palawan Chamber of Commerce and Industry
17. Joel Valera, Regional Director, Department of Trade and Industry Region IV-B*
18. Rosenda Fortunado, Provincial Director, Department of Trade and Industry-Palawan*
19. Rey Maranan, City Director for Puerto Princesa, Department of the Interior and Local Government
20. Nelson Devanadera, Executive Director, Palawan Council for Sustainable Development
21. Adelina Benavente-Villena, Palawan Council for Sustainable Development
22. Lualhati Tabugon, Palawan Council for Sustainable Development
23. Enrico Basilio, USAID COMPETE Project*
24. Cherry Rodolfo, USAID COMPETE Project*
25. Ronilo Balbieran, USAID COMPETE Project*

Zamboanga City: October 29-31, 2014

1. Isabelle Climaco, City Mayor, Zamboanga City Government
2. Antonio Orendan, Jr., City Administrator, Zamboanga City Government
3. Michael Saavedra, Chief of Staff, Zamboanga City Government
4. Rodrigo Sicat, City Planning and Development Coordinator, Zamboanga City Government
5. Apple Go, City Investment Officer, Zamboanga City Government
6. Rodelin Agbulos, City Health Officer, Zamboanga City Government
7. Benjie Barredo, Business Permits and Licensing Officer, Zamboanga City Government
8. Mila Cortez, Investments Office, Zamboanga City Government
9. Christian Olassiman, City Mayor's Office, Zamboanga City Government
10. Erwin To, President, Zamboanga City Chamber of Commerce and Industry
11. Michael Lim, Vice President, Zamboanga City Chamber of Commerce and Industry
12. Claire Pesebre, Executive Director, Zamboanga City Chamber of Commerce and Industry
13. Teresita Uy-Sebastian, President, Zamboanga City Bankers Association

* Consultation held in Manila before/ after scoping mission.

14. Angel Calvo, Executive Director, Zamboanga-Basilan Integrated Development Alliance
15. Grace Rebollos, Board Member, Zamboanga-Basilan Integrated Development Alliance
16. Gromeo Bilugan, Deputy Executive Director, Alternative Center for Organizational Reform and Development
17. Karel San Juan, President, Ateneo de Zamboanga University*
18. Albert Alejo, Member, Zamboanga City Crisis Management Committee/ Ateneo de Zamboanga University*
19. Aurora Gonzales, Ateneo Center for Leadership and Governance
20. Cindy Quaile, Economics Department, Ateneo de Zamboanga University
21. Regina Junio, Ateneo de Zamboanga Research Center
22. Perla Ledesma, Ateneo Peace Institute
23. Rolando G. Acuña, Director, Department of Trade and Industry-Zamboanga City
24. Michael Angelo Carbon, Deputy Administrator, Zamboanga Economic Zone and Freeport Authority
25. Susan Cabaron, Marketing Chief, Zamboanga Economic Zone and Freeport Authority
26. Alberto Valencia, Deputy Commander, Task Force Zamboanga
27. Ismael Gerasol, USAID ENGAGE Project
28. Maritess Magtangob, USAID ENGAGE Project

Tacloban City: November 17-18, 2014

1. Alfred Romualdez, City Mayor, Tacloban City Government
2. Jenny Lyn Polistico Manibay OIC Administrator, Tacloban City Government
3. Irene Chiu, Business Permits and Licensing Officer, Tacloban City Government
4. Dety Atillo, City Mayor's Office, Tacloban City Government
5. Malu Tabao, City Tourism Office, Tacloban City Government
6. Henry Cua, President, Leyte Chamber of Commerce and Industry
7. Oliver Cam, President, ICT Point Person for Leyte Chamber of Commerce and industry/ Tacloban City Chamber of Commerce and Industry
8. Bonifacio Uy, Regional Director, National Economic and Development Authority-Region VIII
9. Darwin Bibar, City Director, Department of the Interior and Local Government-Tacloban
10. Desiderio Belas, Jr., Provincial Director, Department of Trade and Industry-Leyte
11. Robert Castañares, Regional Governor, Eastern Visayas Chamber of Commerce and Industry
12. Maria Adelaida Antonetter Misa-Cea, Regional Coordinator, UN-HABITAT
13. Third Espero, UN-HABITAT
14. Carlos Tan, USAID REBUILD Project
15. Celso Enriquez, USAID REBUILD Project
16. Donna Dizon, USAID REBUILD Project

ANNEX 2
WORKSHOP HIGHLIGHTS
TOWARDS REALIZING ZAMBOANGA CITY'S POTENTIAL AS AN ECONOMIC
ENGINE IN MINDANAO AND THE PHILIPPINES: NEEDS ASSESSMENT
WORKSHOP

November 7, 2014
Garden Orchid Hotel, Zamboanga City

I. Opening Session

Welcome Remarks/ Zamboanga City's Development Plans and Priorities
Maria Isabelle Climaco, City Mayor

Mayor Maria Isabelle Climaco presented the city's priorities anchored on the Security-Health-Education (SHE) platform. The post-October 2013 'siege' platform envisions a safe and crime-free Zamboanga City enjoying a vibrant, investor-friendly economy that is globally-competitive, able to provide jobs to its people and can secure a better future for our children. The mayor also mentioned that the city's desire to be a disaster-ready community that shall be able to respond to man-made and natural calamities and secure lives of its people. Priority actions include addressing resettlement and rehabilitation of internally displaced persons (IDPs), expediting implementation of the Zamboanga City Roadmap to Recovery and Reconstruction (Z3R), establishing new growth areas for development, and calibrating security measures in the city, including upgrading of security facilities. Mayor Climaco also expressed gratitude to the support of national government and development partners, including USAID. See *Annex 2 for Mayor Climaco's slide deck.*

Message from USAID

Joseph Foltz, Deputy Director, USAID Office of Energy, Environment, and Climate Change

On behalf of USAID Philippines, Mr. Joseph Foltz acknowledged Zamboanga City's recovery and rehabilitation efforts after the October 2013 'siege,' and its strong performance in the Livable Cities Design Challenge held in October 2014 where it was selected as one of the finalists for the 'government evacuation center' category. Mr. Foltz mentioned that USAID sees Zamboanga City as a potential economic engine in the country given that it is the economic center of two crucial corridors – the Zamboanga Peninsula and the Basilan, Sulu, Tawi-Tawi (BASULTA) region. This is the reason why USAID is considering the inclusion of Zamboanga City in the Cities Development Initiative, complementing its current portfolio of projects in the city. Mr. Foltz mentioned that while USAID recognizes the strong potential of the city, there are areas where it can provide additional support to Zamboanga City and to other stakeholders.

II. Plenary Presentations

USAID's Partnership for Growth and the Cities Development Initiative

John Avila, Program Management Specialist, Office of Economic Development and Growth

Mr. John Avila provided a briefing on the USAID's Partnership for Growth (PfG) and the Cities Development Initiative (CDI). He mentioned that the United States and Philippine Governments signed the PFG to assist the Philippines in achieving the goal of moving from a low growth path to a higher, sustained, and more inclusive growth trajectory. Within the PFG, as urbanization is considered as the engine of economic activity and growth in countries around the world, USAID launched the CDI which targets the development of second-tier cities in the Philippines to disperse growth outside the National Capital Region. The CDI has three main areas of concern: urban resilience; disaster risk reduction and preparedness; and low-emission economic development. Mr. Avila also pointed out factors that affect and determine economic development, namely specific indicators under economic dynamism, government efficiency, and infrastructure. These can serve as a guide for cities in improving their economies. With regard to Zamboanga City's current state of competitiveness, Mr. Avila presented Zamboanga City's performance as captured in the Cities and Municipalities Competitiveness Index (CMCI) with an overall rank of 74. While the city performed relatively poorer than the previous year, partly because it was not able to provide data for certain indicators, the city performed well in certain areas, including issuance of business and construction-related permits. *See Annex 3 for Mr. Avila's slide deck.*

Zamboanga City's Role in Development of Zamboanga Peninsula

Eleanor Reyes, Officer-in-Charge Chief, National Economic and Development Authority IX

Ms. Eleanor Reyes presented the Zamboanga Peninsula's Regional Development Plan for 2014 to 2016, covering Zamboanga City, Isabela City, and the provinces of Zamboanga del Norte, Zamboanga del Sur, and Zamboanga Sibugay. The Plan envisions the peninsula as the Southern Agri-Fisheries Corridor of the Philippines with an overall goal of inclusive growth. Comparative advantages of the region include marine production with 16.5 percent national share in fish production and source of 75% of the country's supply of canned sardines; rubber production, ranked first in the country; seaweed production, and coco-based products. Zamboanga City is seen as the commercial, industrial, banking, education, convention, sports, medical, and tourism center in the region with other areas considered as the following: tourism centers (Dipolog City and Dapitan City), government center (Pagadian City), emerging growth center (Ipil), rice granary (Zamboanga del Sur), and agri-aqua marine production growth center (Isabela City). *See Annex 4 for Ms. Reyes' slide deck.*

III. Reporting of Workshop Discussions

Each breakout group presented the outputs of their respective discussions. The attached document provides the highlights and outputs of the four groups. See *Annex 5 for workshop mechanics*.

IV. Other USAID Initiatives

Overview of USAID's Energy, Environment and Climate Change Programs

Joseph Foltz, Deputy Director, USAID Office of Energy, Environment, and Climate Change

Mr. Foltz introduced his office's initiatives as focused around environmental resiliency, one of the objectives of the USAID's development strategy for the country, contributing to the overall goal of broad-based inclusive resilient economic growth. He mentioned that USAID views resiliency as the ability of a system to absorb a shock and respond appropriately, and not be susceptible to similar shocks in the future. Initiatives under this domain include water and water supply, sanitation, energy supply and distribution, and biodiversity conservation, including prevention of illegal wildlife trade. The program also includes efforts at climate change mitigation and adaptation.

Overview of USAID's Education and Industry-Academe Programs

Mirshariff Tillah, Program Management Specialist, Office of Education

Mr. Tillah explained that the workshop did not have a breakout discussion on education because initiatives have already started in the city, such as the MyDev program which is focused on skills training for out-of-school youths. Mr. Tillah discussed the Higher Education Productivity Project (HEPP) which aims to address skills gaps and mismatch through academe-industry linkages. With the initiative of Zamboanga City, through the efforts of Ateneo de Zamboanga University, the city will formalize the establishment of an Industry-Academe Governance Council before the end of 2014. Mr. Tillah also discussed the Science, Technology, Research and Innovation for Development (STRIDE) project which aims to improve science and technology in the country through higher education scholarships in the US, collaborative academe-industry research grants, and partnerships between Philippine and American universities. The team held a road show in October 2014 participated in by 81 representatives from the local universities. Mr. Tillah further remarked that the city is in a good position given its superior educational support infrastructure – ranked 8th in the country as per the CMCI – and the presence of well-regarded universities. He ended the talk by inviting the audience to participate in a STRIDE workshop to be held either in January or February 2015.

V. Synthesis, Next Steps, and Closing Message

Mr. Avila congratulated and thanked everyone for their participation. He also acknowledged the warm welcome and cooperation of the Mayor and the city government. As for the next steps, he mentioned that a series of discussions will be necessary to further set results and targets. He remarked that beyond discussing actions in general as undertaken during the workshop, it is important to specify results that the city would want to achieve; aside from enabling a more

systematic method of generating actions and 'means,' such an exercise will also be useful in monitoring and assessing performance. Such targets should be realistic and achievable. He also noted that it might be important to initially identify easy targets and "quick wins" in order to build confidence as the city. In this regard, he requested the stakeholders to continue their participation in such discussions. To end the workshop, Mr. Avila announced a significant event to be held on November 14, 2014 to be participated in by the US Ambassador to the Philippines that will signal efforts at taking the initial discussion of the workshop forward.

VI. Annexes

1. Highlights of Workshop Group Discussions
2. Slide deck for Mayor Isabelle Climaco's presentation: "Build Back Better Zamboanga City"
3. Slide deck for Mr. John Lawrence Avila's presentation: "Partnership for Growth – Cities Development Initiative: Promoting Engines of Inclusive and Resilient Growth"
4. Slide deck for Ms. Eleanor Reyes' presentation: "Zamboanga Peninsula Regional Development Plan, 2014-2016"
5. Slide deck on Rationale and Workshop Mechanics
6. Workshop Breakout Situationer Presentations
 - 6.1.0 Slide deck for Engr. Rodrigo Sicat's presentation for Group 1: Infrastructure, Utilities and Transport
 - 6.2.0 Slide deck for Mr. Benjie Barredo's presentation for Group 2: Enabling Environment for Investments/ Cost of Doing Business
 - 6.3.1 Slide deck for Ms. Apple Go's presentation for Group 3: Production Sectors and Potential Industries
 - 6.3.2 Slide deck for Dir. Rolando Acuna's presentation for Group 3: Production Sectors and Potential Industries
 - 6.4.1 Slide deck for Dr. Rodelin Agbulos' presentation for Group 4: Health
 - 6.4.2 Slide deck for USAID's presentation for Group 4: Health
7. Workshop Output Reports
 - 7.1 Slide deck for Group 1: Infrastructure, Utilities and Transport
 - 7.2 Slide deck for Group 2: Enabling Environment for Investments/ Cost of Doing Business
 - 7.3 Slide deck for Group 3: Production Sectors and Potential Industries
 - 7.4 Slide deck for Group 4: Health

Annexes 2-7 can be downloaded from:

https://drive.google.com/folderview?id=0ByS15Zw6-BC8amt0MEFjekVLQ00&usp=drive_web

Audio recordings of the workshop can be downloaded from:

https://drive.google.com/folderview?id=0ByS15Zw6-BC8RFFDU1FpV2Z5cFU&usp=sharing_eid

Annex: HIGHLIGHTS OF WORKSHOP GROUP DISCUSSIONS

I. INFRASTRUCTURE, UTILITIES, AND TRANSPORT

Time started: 11:04

Time ended: 1:54 PM

A. Workshop Participants

Mr. Joe Foltz	USAID
Erbert L. Medellin	ADZU Soc Sci Student
Rovic John F. Esko	ADZU Soc Sci Student
Engr. Michael C. Ramillano	ZAMCELCO
Engr. Remuel P. Aca-ac	ZAMCELCO
Fernando Ronas Camba	ZCWD
Engr. Rodrigo S. Sical	CPDO
P/SInsp Rolly Joaquin	ZCPO
Roy Lorena	ZCDRRMO
Kevin S. Saquilon	ADZU Soc Sci Student
Aurine R. Lee	ZFCCCI
Datu Hji. Hussayin A. Arpa	Maharlika Philippine Council for Sama and Badjau

Facilitator: Mr. Serge Andal, Investment Strategist/M&E Specialist, INVEST Project

B. Highlights of Workshop Discussion

1. Engr. Rodrigo Sicat, Division Chief of the City Planning and Development Office of Zamboanga City, gave an input on the infrastructure sector, covering roads, water and power.

Roads

- 1.1 Engr. Sicat presented the proposed roads that have strategic importance for the City's development. According to him, one of the ongoing projects of the City is the bypass road that connects and enables all barangay to have an access to the airport. Another plan is the megadike road that will pass through Arena Blanco and Mampang areas and shall be connected to Zambowood, where the airport will be transferred.
- 1.2 Engr. Sicat also pointed that *"because of congestion there's no chance that the airport will be expanded"*. Thus the City is proposing the transfer of the existing airport. He also emphasized that *"the development of this city is connected with the development of the airport."* If Zamboanga City wants to expand, the transfer of the airport is needed because commerce and trade will flourish around the new airport's vicinity. He also added that this may also give the City the opportunity to build taller buildings. The old airport can be used for commercial development.

- 1.3 Lastly, Engr. Sicat emphasized that Zamboanga is not like Cagayan de Oro or Davao City because their terrain is flat. We always need to consider the Zamboanga's geography and topography. He added that, one of the limitations they encountered in planning the transfer of the airport is the need to preserve the watershed areas.

Water

- 1.4 In Zamboanga City, 70% of households have access to water. Water in Zamboanga comes from its watershed. Zamboanga is also rich in surface water which is a good source of water.
- 1.5 Engr. Sicat emphasized that Zamboanga City is very fortunate because it has a good source of water. However, there is still a need to expand the water district so they can distribute more water to Zamboanga City residents.

Power

- 1.6 According to Engr. Sicat, there was an approved plan of putting a coal power plant to sustain the supply of electricity. However, there are still issues that need to be addressed. He also added that there is a need to increase the supply of power because of the demands of the business sector.
2. After the presentation, the group discussed the challenges, possible courses of action, and potential actors. The results are summarized in the matrix above. Among the issues discussed are as follows:

Roads

- 2.1 There is limited availability of public transportation for commuters, specifically public utility jeepneys, tricycles, and rural buses.
- 2.2 Traffic is one of the major problems of Zamboanga City, especially near schools like Tumaga and La Purisima Roads. The City has plans of expanding and realigning local roads ("roads of strategic importance"). The City is aware of the need to minimize the impact of these local roads on existing residential areas.

- 2.3 A problem in public parking, especially in the city proper, was also raised. The main cause of this problem is the small roads. Roads are turned into parking space hence making the roads more crowded.
- 2.4 Another problem raised by the participants is the problems with the city's drainage system.

Power

- 2.5 The city needs to have a good power supply for it to be able to support its industries.
- 2.6 There is a need for other sources of power. A coal power plant application by CPP has already acquired environmental certificates to answer issues on environment.
- 2.7 There is a need to prepare Zamboanga City for the effects of natural disasters. The proposed megadike is already part of the City's plans.
- 2.8 According to one participant from water district, the current supply of water is no longer enough because of the rapid population growth of Zamboanga. Hence, there is need to expand distribution facilities.
- 2.9 Solid waste management is also a major problem of the city. There is no proper waste segregation scheme from source, the collection system is not segregated, and people tend to just throw their trash anywhere.
- 2.10 The problems on the peace and order situation of the city affects the economic stability of Zamboanga City.

C. Summary of Workshop Outputs

Development Challenges	Proposed Action	Responsible Persons/Groups
Need to improve road network: <ul style="list-style-type: none"> • Insufficient public transportation system • Inadequate transport Service System • Inadequate Road Network 	<ul style="list-style-type: none"> • Construction of strategic roads identified by the City Government • Implementation of drainage master plan • Strict implementation of traffic rules • Design of periphery transport system 	<ul style="list-style-type: none"> • LGU

<ul style="list-style-type: none"> Inadequate Implementation of construction rules that affect parking of vehicles 		
Need for Sustainable Source of Power: <ul style="list-style-type: none"> Inadequate power supply Problems in power distribution: system overloading, system loss, collection 	<ul style="list-style-type: none"> Construction of coal plant Investment in alternative sources of power 	<ul style="list-style-type: none"> PSALM Private sector LGUs MINDA DOE
Inadequate waste management system (solid waste, waste water)	<ul style="list-style-type: none"> Privatize collection Implementation of septage ordinance Construction of waste water treatment facilities 	<ul style="list-style-type: none"> LGU
Inadequate water supply	<ul style="list-style-type: none"> Water treatment plant for the west coast Construction of impounding dam Upgrading of water distribution system to reduce non revenue water 	<ul style="list-style-type: none"> Water district LGU Donors Investors NIA DA Barangays DENR
Need for new growth centers/ airport transfer	<ul style="list-style-type: none"> Lobby for the inclusion of airport transfer in the DOTC public investment program 	<ul style="list-style-type: none"> LGU
Peace and order concerns	<ul style="list-style-type: none"> Additional police stations for crime prone areas Intensify intelligence gathering/ sharing of information among stakeholders 	<ul style="list-style-type: none"> PNP AFP LGU CSO (PZAMBO) Barangays Community
Need for disaster preparedness at LGU level	<ul style="list-style-type: none"> Establish culturally-sensitive evacuation centers Capacitate CDRMO, barangays 	<ul style="list-style-type: none"> LGU Community Barangays

II. ENABLING ENVIRONMENT FOR INVESTMENT/COST OF DOING BUSINESS

Time Started: 11:20AM

Time Ended: 2:10PM

A. Workshop Participants

John Avila	USAID INVEST
Raisa Mae Fernandez	ADZU
Ruby Ann Bangalando	Zamboanga City Bankers Association
Moh. Taha Arakama	DILG
Cecile Simbajon	ADZU
Sonnyboy Jalani	Crime Watch Volunteers

Francis Arroyo	ADZU
Benjie Barredo	BPLO, Zamboanga City Government
Almalyn Unda	BPLO, Zamboanga City Government
Geraldine Tagle	USAID ENGAGE
Genesis Dave Hamoy	ACLG
Jules Benitez	USAID ENGAGE
Seth Fabian	DSWD IX
Manuel Chermane	DSWD IX

Facilitator: Jay de Quiros, Economist, INVEST Project

B. Highlights of Workshop Discussions

1. Mr. Benjie S. Barredo, Chief, Permits & Licenses Division (Office of the City Mayor), gave an overview of the business permits and licensing system of the City. The Licensing Office of Zamboanga City currently has the following initiatives:
 - 1.1 Simplification of form
 - 1.2 Reduction in the number of signatories
 - 1.3 Decrease processing time thru automation of the system
 - 1.4 Issuance of Executive Order CL-84-2006 on the conduct of advance inspection
 - 1.5 Full and substantial compliance with the requirements of RA 9845 – Anti-Red Tape Act (ARTA) law
 - 1.6 No noon time break policy and rendering of overtime work as needed

2. Before, an applicant went through 5 steps in getting a business permit but now, there are only 3 Steps: Apply, Pay and Get. Further, while DILG-DTI standards have a maximum of 5 days processing time, it would only take an applicant 30 minutes to secure the permit for both new registrations and renewal of permits in the city. Zamboanga City also complied with the standard of using unified forms, computerization and one-time payment of taxes and fees. The establishment of the Business One-Stop Shop (BOSS) is targeted to be implemented in 2015.

3. Some of the impact of the initiatives are the following:
 - 3.1 Increase in registration of business establishments from 8,213 that yielded Php 270 million in 2013, to 9,128 that incurred Php 282 million in 2014.
 - 3.2 Zamboanga City ranked 6 out of 25 cities where it is easiest to start a business, dealing with construction permits or registering property in the Philippines, according to Doing Business survey in 2011.

Moreover, according to Simplifying Business Permit and Licensing Processes of Local Government published by Bureau of Micro, Small and Medium Enterprise Development (BMSMED), Zamboanga City is one of the possible benchmark LGUs for Process Simplification.

4. Mr. Barredo presented the following issues and concerns:
 - 4.1 Securing fire clearance and local clearance remains to be a bottleneck of the system
 - 4.2 Concerned offices stopped conducting advanced inspections (less manpower)
 - 4.3 Poor monitoring of business establishments (no monitoring officers)
 - 4.4 Outdated BPLS from 2008 to 2012, no development or upgrading efforts
 - 4.5 Lack of support to implement plans and programs to improve/upgrade BPLS.
5. Mr. Barredo mentioned future plans for the BPLS:
 - 5.1 Establishment a of Business one Stop Shop (BOSS)
 - 5.2 Taxpayer's kiosk (similar to system in Cagayan de Oro, queuing system)
 - 5.3 Geographical Information System (GIS)
 - 5.4 City hall services available to public 24/7 through online applications (on-line permit application, assessment and payment, and mobile applications)
6. Group discussions cover the following topics:

Concerns: Starting a Business

On Enforcement:

- The need for a GIS system to help the city locate businesses and identify which are illegally operating.
- There has to have a regular venue where the barangay and the licensing office to meet regularly for proper coordination as they have to work hand in hand.
- Barangay captains are political people and they sometimes would just opt not to report businesses in their barangays who do not have any permit; it affects the goal of the licensing office to trace the businesses that are illegally operating.
- Enforcement of local laws and ordinances remains to be the main issue affecting the business community's hesitance to open new

business ventures. The group proposes greater *barangay* LGU involvement in the enforcement of these laws/ordinances.

On Information Dissemination:

- There is poor communications and promotions for the people. Recommendation for the licensing office to partner with other institutions and launch joint projects such as mobile caravans, both information dissemination and also provide full suite of services

On Budget:

- One concern discussed by the group was the lack of City Government budget that will support more manpower and resources. They proposed that these be addressed by allocating enough budget for the operations, re-organization or re-strategizing manpower resources. It was also proposed that a regular caravan is necessary to disseminate information and make business services available.

Outdated BPLS system

- A prevalent concern on starting a business is the outdated Business Permit Licensing System (BPLS) which does not support online transactions or applications.
- The group recommends for complete implementation of the already established Business One Stop Shop (BOSS). The BOSS will be fully operational in early 2015. The group further recommends the establishment of KIOSK Interface facility. This was successfully implemented in Cagayan De Oro City.

On BFP:

- The licensing office consistently submits the list of applicants to BFP for fire safety inspections but the BFP has not done anything about it. The proposal is to have a platform for discussion with BFP.

Concerns: Broader Macro Environment

Peace and Order

- The City has a Law Enforcement Plan/Security Master Plan. However, there remains a problem with the number of police personnel, thus mobilization is a problem.
- There is a need to upgrade the City's CCTV system to include the creation of a control center. This will help address criminality. Some commercial institutions like banks are hesitant to support a centralized CCTV as this might put in peril the security of their clients.
- How can the communities/barangays be more involved in maintaining peace and order? USAID Engage is currently pilot- testing a community-based public safety model in Barangay Upper Calarian.

“Economic Protection”

- Cultures of Economic Protection: Most of the businesses in Zamboanga are owned by Zamboangueños. Apparently, the local business community is the one that lobbies for Zamboanga City to be open only to the local business community.

Water and Energy

- There is energy and water shortage in Zamboanga City. The group recommends for the city to explore on renewable energy sources.
- Issue on the ECOZONE: aside from not having a port, the ECOZONE also does not have enough energy sources to support its entire operation.

Logistical Support and Auxiliary services

- Some investors are reluctant to invest for lack of logistical resources, such as a port facility in the ecozone

On taxes and rates:

- The business tax rates are outdated, but tax collection is currently low. There are a lot of sari-sari store owners who want to apply for permits, but find the rates too high. A concern remains whether the adjustment of the rates ensure higher tax collection. A study should be done to look into this

C. Summary of Workshop Outputs

Development Challenges	Proposed Actions	Responsible Persons/ Groups
Starting a business:		
Consistency and inadequacy of enforcement <ul style="list-style-type: none"> Enforcement of required setback clearance of business establishments High rate of unregistered businesses 	<ul style="list-style-type: none"> Barangay and ZCG partnership for enforcement: maximize barangay empowerment with accountability mechanisms 	<ul style="list-style-type: none"> Barangays ZCG
Budgetary concerns, resources (manpower, logistics vis a vis accessibility)	<ul style="list-style-type: none"> Allocate budget Re-organize manpower Periodic caravans (full service) BOSS within the ECOZONE for its potential and registered enterprises 	<ul style="list-style-type: none"> ZCG
Outdated BPLS <ul style="list-style-type: none"> Absence of online transaction or application system 	<ul style="list-style-type: none"> BOSS (co-location) KIOSK (like CDO) for e-payment Physical and online(in partnership with Universities or units) Maximize technology such as online and IT-based system 	<ul style="list-style-type: none"> Academe ZGC
BFP Clearance/ FSIC (clearance with other units like NGAs and barangays)	<ul style="list-style-type: none"> Discussion between BFP and LGU Barangay and ZCG partnership for enforcement 	<ul style="list-style-type: none"> BFP local ZCG

Sari-Sari Store owners complaining of high cost of business tax for sari-sari store	<ul style="list-style-type: none"> Study on effects and taxation 	<ul style="list-style-type: none"> University
Info Dissemination for 1) awareness, full knowledge and 2) transparency <ul style="list-style-type: none"> Communication Aid for New business applicants Financial report or performance data accessible online for transparency 	<ul style="list-style-type: none"> caravans with other sectors Website and social media (especially last quarter before renewal) IEC with other sectors 	<ul style="list-style-type: none"> Private and chamber
Broader enabling environment concerns		
Peace and order reflected by warning / advisories “bad image” (kidnapping, bombings, terrorism)	<ul style="list-style-type: none"> Passage and implementation of City Security Master Plan with consultative process (whole of nation approach) Manpower to implement (i.e. ratio of police to constituents) Monitoring and implementation and evaluation Assess role vis-à-vis Bangsamoro Basic Law to protect territory Involve private sectors Tap <i>barangays</i> 	<ul style="list-style-type: none"> Council CPOC Private sectors Barangay USAID Engage DILG
Energy and water shortage	<ul style="list-style-type: none"> Develop other sources of energy (i.e. renewable energy) Technology for water (desalination) Create multi-stakeholder team 	<ul style="list-style-type: none"> DOE USAID LGU
Support services and auxiliary services (logistics –difficulty in convincing locators to stay), including telecommunication	<ul style="list-style-type: none"> Find alternate site for the port (but conduct study first) 	<ul style="list-style-type: none"> ZCG PPA
Lack of information to assess business-worthy activities	<ul style="list-style-type: none"> Having industry profiles, studies 	<ul style="list-style-type: none"> ZCG
Economic Protection	<ul style="list-style-type: none"> Aggressive investment promotion Diversify industries other than retail Formulate economic development 	<ul style="list-style-type: none"> ZCG Chamber Volunteers

III. PRODUCTION SECTORS AND POTENTIAL INDUSTRIES

Time Started: 11:20AM

Time Ended: 2:20PM

A. Workshop Participants

Albashierjan Kavin Ho	BPI
Lorenzo Macapili	TESDA-IX
Gregorio Flores	TESDA-IX
Diosdado Palacat	OCA-ZC
Margie Huquilan	CMO

Arsenio Gonzales, Jr	Movement for Better Zamboanga
Antonio Tan Iturralde	Zamboanga Chamber of Commerce
Severino Landingin	Zamboanga Chamber of Commerce
Claire Pesebre	ZCCIFI
Louell Saavedra	ZCCIFI, ZICT
Grace J. Rebollos	ZABIDA
Emerita T. Basilio	ACORD
Gromeo Bilugan	ACORD
Joseph Fernando	Task Force Zamboanga
Jaran Abdula	Task Force Zamboanga
Cindy Quaile	Ateneo de Zamboanga University
Roberto Valerio	Industrial Group of Zamboanga Inc.
Marie Angelique Go	Investment Promotions-ZC
Eleana M. Reyes	NEDA-9
Angel Calvo, CMF	ZABIDA
Rolando G. Acuña	DTI-9

Facilitator: Ms. Ofie Templo, Chief of Party, INVEST Project

B. Highlights of Workshop Discussions

Presentations

1. The Provincial Director of the Department of Trade and Industry (Region 9) presented the priority industries in Zamboanga Peninsula, the business opportunities for each of the Industry and their corresponding constraints and challenges (refer to Annex 6.3.2)
 - 1.1 The six (6) priority industries include Rubber, Seaweeds, Coconut, Processed Fish, Mango and Abaca.
 - 1.2 The available business opportunities for these industries revolve around increasing production through the provision of better cultivars through the setting up of nurseries, improvement in production technologies, moving higher in the value chain and exploration of new markets, product innovation and downstream processing.
2. The City Government through its Local Economic and Investment Promotions Officer (LEIPO), reported on the activities of the City's Investment Promotion Services and the priority areas for investment that it is promoting (refer to Annex 6.3.1).
 - 2.1 The city's investment promotion services are based on its investment incentives code which was enacted in 2003 and which

has been amended in 2004. The city's Investment Board has since approved resolutions that (i) established the investment promotion division in the city; (ii) inclusion of the hotel and call center industries as eligible for incentives; (iii) approved the application of Garden Orchid Hotel for incentives.

- 2.2** The City's Local Economic and Investment Promotions Officer (LEIPO) presented the following challenges for the agriculture, fishery and forestry, industry and services and the general environment for investments: (i) peace and order; (ii) adverse effect of climate change; (iii) need to tech modern and scientific methods to boost palay production; (iv) the fishing ban imposed by the Bureau of Fisheries and Aquatic Resources; (v) adverse impact of water pollution; (vi) travel advisories; and (vii) the power problem.
- 2.3** The city has identified the following four sectors - agriculture, ecotourism, power and information and communication technology (ICT) - as its priority investment areas. For each of these sector, the city identified the constraints, and possible solutions (refer to Annex for the presentation).

Group Discussions

3. The group discussed the issues and constraints for the different economic sectors.

- 3.1 There was consensus in the group that, at present, Zamboanga City's economic growth is driven by the service sector, followed closely by the agriculture sector. In the future, however, the group envisions the agriculture sector to be the main driver of Zamboanga City's economic growth. The services and the industry sectors will support the agriculture sector to drive economic growth for the city.
- 3.2 The group strongly articulated the need for a vision. Given its resources and strategic location, Zamboangenos should work at making "Zamboanga as the hub of the Zamboanga Peninsula."
- 3.3 Given this vision for Zamboanga City, the development challenges that the group was able to identify were categorized into four – the general environment for sector growth, agriculture sector, services sector and the industry sector.

- a. *General Environment for Sector Growth.*

- i. Local governance processes ranked first among the development challenges facing Zamboanga City in general. Peace and order/security, infrastructure and human services were ranked second, third and fourth, respectively.
- ii. Among the important proposed actions to address the issues on the business climate of the city, there is general consensus on the need for a "vision" for Zamboanga that everyone supports and adheres to. Related to forming a vision is the importance of formulating/updating the different plans to guide the city, e.g. Comprehensive Development Plan, updating of the Comprehensive Land Use Plan and the corresponding zoning regulations. Other actions identified are the stricter implementation of local laws, raising locally-sourced revenues and addressing the peace and order situation by disseminating information on the city's Master Security Plan which should also include a broader concept of security (addressing criminality at the community level, terrorism, and cultural practices like "Rido" or clan feuds). Strengthening infrastructure (i.e. road networks, power, water, telecommunications and

connectivity) and human resource development that promotes values education, job creation and promoting entrepreneurship are significant areas that will be able to build back a better Zamboanga.

- b. *Agriculture.* The group considered the following actions as critical in supporting the growth of the sector: access to credit and financing, access to market, improvement in the production and post-harvest technologies, human resource development and incentives to the agriculture sector.
- c. *Industry and Services.*
 - i. Zamboanga City needs to look into its connectivity, telecommunications, modernization and expansion of industries/services, to improve Zamboanga City's market share in the services and industry sectors in the region. Product innovation, value chain analysis and research and development are essential activities that will support these sectors' development.
 - ii. The participants were very emphatic about the need for academic institutions (from basic education up to tertiary and non-formal education institutions like TESDA) to focus on values education. A good sample given was the case of Singapore. The group proposes for a similar approach to really help Build Back Better Zamboanga.

3.4 Other questions raised during the discussions were as follows:

- 3.1 Given the ASEAN Economic Integration 2015, how do we reposition Zamboanga City in the region? What product(s) do we want to develop and showcase? This question may be answered during the planning sessions in relation to the formulation of the Zamboanga City Comprehensive Socio-Economic Plan.
- 3.2 How will Zamboanga City be able to consider development that is inclusive of the different ethno-linguistic and cultural groups of the city? How will the city ensure that its development plan supports environmental sustainability, biodiversity, mainstreams climate change adaptation and disaster risk reduction and management?
- 3.3 How can the city tap the opportunities for tourism? Zamboanga City is a multi-cultural, multi-ethnic city, which is what makes Zamboanga City a unique tourism destination in the Philippines.

C. Summary of Workshop Outputs⁹

Development Challenges	Proposed Actions
A. General Business Climate	
<ul style="list-style-type: none"> Need to improve local governance (poor implementation of laws, unclear economic development directions, investment incentives, traditional ways of doing business operations, perception of unstable political leadership) 	<ul style="list-style-type: none"> Forge a consensus towards a common vision for Zamboanga City Develop and implement a comprehensive socio-economic development plan for Zamboanga City (which should include biodiversity issues, climate change adaptation, disaster risk reduction and management, pollution, solid waste management) Update the Comprehensive Land use Plan of the city and the corresponding zoning regulations Strictly implement local ordinances Codify local laws Raise locally-sourced revenue (less dependence on IRA) Create a body specifically for the monitoring and evaluation of the implementation of programs/plans of the local government included in the different development plans of the city Improve government efficiency and transparency in city's public services
<ul style="list-style-type: none"> Address peace and order/security issues including those related to the Bangsamoro Basic Law, negative perception on the city, threats of terrorism) 	<ul style="list-style-type: none"> Formulate a Security Framework/Master Security Plan for Zamboanga City (if none exists) or disseminate the salient features if one already exists; the plan should consider a broader concept of security i.e. community-based/barangay security, rule of law, (note that the city has a law enforcement plan-Multi-Sectoral) Address multi-level peace and security issues (e.g. terrorism, criminality, Rido) and improve the coordination between local and national government in relation to security issues. Strengthen advocacy against terrorism Improve response time of concerned agencies on specific emergency situations Encourage more responsible Media
<ul style="list-style-type: none"> Poor infrastructure (heavy traffic, lack of farm to market roads/tourism destination roads, insufficient power and water) 	<p>NOTE: THIS WILL BE DISCUSSED IN A SEPARATE SESSION</p> <ul style="list-style-type: none"> Expand the road network in the city, with priority to be given to the construction of the Zamboanga Peninsula-West Coast Highway Prepare a feasibility study that will convert some of its ports to a world class seaport with ship building and ship repair facilities (e.g. Cawit-Recodo Caldera) Address the issues in the power, water and telecommunications (connectivity) sector
<ul style="list-style-type: none"> Poor quality and low productivity of human services 	<ul style="list-style-type: none"> Strengthen Academe-industry matching/linkages Strengthen the role of family/community/barangay in the city's socio-economic growth Strengthening values that will support a common vision for the city Prioritize promotional values education (from basic to tertiary) Refocus education services to maximize opportunities for Job creation and entrepreneurship
B. Agriculture Sector	
<ul style="list-style-type: none"> Lack of access to credit and financing (credit 	<ul style="list-style-type: none"> Make available credit and financing to small/micro-business Implement affirmative action for farmers and small businesses

⁹ The group was unable to identify the persons responsible for the proposed actions (which is part of the template table) due to lack of time.

assistance to farmers, easy access to loans, low capitalization of small-holder farmers)	<ul style="list-style-type: none"> • Review national policies on access to credit and financing • Assist small and micro-businesses to form cooperatives • Fit credit windows for micro-financing to the capital needs of small-scale farmers • Provide farm input subsidies
<ul style="list-style-type: none"> • Lack of access of farmers to markets 	<ul style="list-style-type: none"> • Ensure that agricultural extension services reach intended farmer beneficiaries • Educate farmers on available marketing services and trading facilities • Promote contract growing arrangements in which outputs of farmers are bought by buyers based on previously agreed terms and conditions
<ul style="list-style-type: none"> • Use of traditional production and post harvest technology, lack of extension services and other support to the sector (e.g. processing plants, nurseries, port cargo facilities, post harvest facilities) 	<ul style="list-style-type: none"> • Address irrigation problems • Provide support to the sector (e.g. storage facilities, cold chain, dryers, • Upgrade the fishing ports in the city • Provide farm implements and seeds to farmers • Implement programs that will improve the productivity of farmers
<ul style="list-style-type: none"> • Need to add an entrepreneurial component in agriculture courses of the schools in the city 	<ul style="list-style-type: none"> • Formulate a curriculum on entrepreneurial development for farmers and those taking agri-business courses
<ul style="list-style-type: none"> • Need to ensure fair pricing/transparency in the sector 	<ul style="list-style-type: none"> • Institute measures that will protect small holder farmers from traders in pricing their products
<ul style="list-style-type: none"> • Insufficient incentives to spur increased production in the sector 	<ul style="list-style-type: none"> • Provide non-tax incentives to farmers in the sector e.g. assistance in organizing farmers • Determine the main agriculture products being supported in the city and conduct value-chain analysis
C. Industry Sector	
<ul style="list-style-type: none"> • Limited type of products and services 	<ul style="list-style-type: none"> • Encourage product innovation and
<ul style="list-style-type: none"> • Access to Market 	<ul style="list-style-type: none"> • Tap the Halal market
D. Services Sector	
<ul style="list-style-type: none"> • Need to market the services that are available in the city in the areas of education, hospitals, allied medical services, tourism facilities 	<ul style="list-style-type: none"> • Conduct an information, education campaigns (IEC) • Encourage the business sector to modernize their equipment/facilities • Encourage investments in the medical industry, especially in expanding capacity and modernizing services • Develop programs that will showcase the multi-ethnic, multi-cultural character of tourism in the city and its surroundings • Harness the support and improve the coordination among government agencies (e.g. NEDA, DOT, DTI, DA) in developing the agri-tourism and multi-cultural tourism potential of the city
<ul style="list-style-type: none"> • Need to improve efficiency in the business operations of small, medium enterprises (SMEs) 	<ul style="list-style-type: none"> • Promote the computerization of SME operations thru training programs for the sector
<ul style="list-style-type: none"> • Insufficient Connectivity 	<ul style="list-style-type: none"> • Include Zamboanga City in the fiber optic loop

IV. HEALTH

Time Started: 11:20AM

Time Ended: 2:30 PM

A. Workshop Participants

Dr. Ruvelinda Grace Uy	POGS - WM
Jacobo Maria Mendoza	PhilHealth
Jose Augustus	PopCom
Dr. Dolores Castillo	Mindanao Health
Dr. Jun Ted Yu	USAID IMPACT
Josephine Bonficao	CMO
Nimfa B. Torrizo	DOH – RD
Christina P. Arevalo	CSWD
Ma. Rosalie Mendoza	CHO
Forunato Cristobal	ADZU
Lynbert Gapor	ZFF

B. Highlights of Workshop Discussions

A. Situationer

- a. **ISSUES, CONCERNS AND RECOMMENDATIONS** as presented by Rodelio Agbulos, MD of City Health Office

Issues	Recommendations
<ul style="list-style-type: none"> • Human Resource: Manpower • Poor Health Seeking Behaviors of selected population • Culture • High Child/ Maternal Mortality • Inadequate medicines and supplies for Repro Health programs and FP commodities • Continuous treatment of identified MAM and SAM in EC's and TS and 16 Scale up barangays <ul style="list-style-type: none"> • Identified Pregnant and Lactating Women (PLWs) who are malnourished, no food supplementation program • Non continuity of iodized salt testing due to unavailability of salt testing kit • Increasing numbers of HIV among MSM and Young Population • No LGU Hospital at the East Coast • Lack of portable dental chairs to be use for free clinic 	<ul style="list-style-type: none"> • Additional Doctors, Nurses, Midwife, Dentist, Medtech • Health Advocacy and Literacy program • Culture sensitive Health Programs • Training of health service providers on - BEmONC and EINC- newborn screening • Allocate budget for <ul style="list-style-type: none"> - medicines and supplies - FP commodities • Need Volunteers • Need food supplementation • Need salt testing kits ▪ STI-HIV interventions for MSM, FLSW, Migrant worker and IDUs, Fund sourcing from partner agencies thru our NGO partner • Construct LGU Hospital and hiring of manpower • Purchase additional dental chairs

- b. **Current Challenges** as presented by Dr. Dolores Castillo of Mindanao Health

Key health outcome indicators in Zamboanga City and the region have moved sideways.

- Maternal mortality ratio is high
- High unmet need for family planning
- Teen pregnancy rate doubled in the last decade
- Neonatal deaths are a concern
- TB burden remains high
 - High number of missed cases
 - rising number of MDR-TB
 - high default rates

Risks	Challenges
<ul style="list-style-type: none"> ▪ Stock outs due to bottlenecks in logistics ▪ Constraints to full utilization of resources ▪ Effort may get easily dissipated on high visibility but low impact activities 	<ul style="list-style-type: none"> ▪ Limited time for implementation ▪ Compliance with/implementation of approved Rationalization Plan ▪ Access to/use of services by the poor has to be improved

B. Surfacing of Issues

a. Declining Contraceptive Prevalence Rate (CPR).

- **Erratic supplies.** Distribution mechanism of contraceptives is present and functional from the city to the local health centers and to the people but the problem is that CHO has very low budget for supplies plus the delays due to logistical issues. This impacts the willingness of clients to come and avail of this service.
- **September Siege.** The recent man-made disaster has also affected the CPR of 8 barangays affected by the siege. These barangays are part of the most populous barangays of the city with the most number of contraceptive users. Due to displacement, the users were also dispersed and made the distribution of contraceptive difficult hence a decline in the number of users. In addition, the services during the disaster has somehow affected the concept on family planning of the displaced family since most programs prioritizes “pregnant women” hence to access the services, women felt that “getting pregnant” is a ticket towards a more

decent relief package and the convenience of not having to wait on a long queues.

- **Culture.** Despite the advocacy and services on family planning, families belonging to the Muslim groups are not “sold out” to the concept of family planning due to their traditional culture and beliefs. In some areas, however, Muslim patients were open to the practice of FP but prefers only sub-dermal implant forms of contraceptives.

b. Increasing teenage pregnancy rate

- **Lack of education/intervention from parents** is said to be a contributing factor that led to the rise of adolescent and youth engaging in sex. Most parents educate their children on “delaying pregnancy” rather than “not engaging in sex at all”. DOH, regular conducts parent sessions, but due to the lack of funds, these sessions are limited, reaching only a limited number of couples. For a meaningful impact, there should be an increase in the regular sessions catering to more clients.

c. No. of Maternal Deaths is still above the target.

- This is due to the quality of **Antenatal Care** that pregnant mothers receive at the community level. The **health-seeking behavior** of patients also affects the number of maternal death as most mothers go to the health center when they are already on their second trimester.
- **Culture.** *Maternal deaths are also caused by the* mothers’ preference to go to *hilots* and their traditional doctors rather than going to health care facilities for maternal care and delivery.
- **Increase number of maternal deaths under hospital care due to first and second delays.** The first delay in seeking medical help – antenatal or during delivery, increases risk for maternal death especially among women in their first pregnancy as most of them only comes to the hospital when complications arise.
- **Systems challenge.** The poor public – private sector linkage affects the quality of data that the city has as there are still unreported cases of maternal death.

d. Manpower and Human Resource

- Though there has been an improvement in the manpower as of 2011, as there has been an augmentation of workforce, but the city is still below the target ratio of health care personnel to be able to deliver quality services.

e. High percentage of sexual active (Youth and Adolescents)

- The increase in the percentage of sexually active youth and adolescents increases the incidence of HIV/AIDS cases in the city. To date the number of HIV patients are among youths and MSM, and is highest this year with 33 cases.

f. Poor medical graduate retention for rural services

- From an academe perspective, the current health education training provided to allied medicine students lack social accountability/formation components, hence contributing to producing graduates who are not “inspired to stay and serve” but are more bent towards finding jobs abroad (brain drain). Also, the cost of education or training is expensive making it inaccessible to poor but academically capable graduates.

C. Identification of Actions and Potential Actors

a. Declining CPR

- The group divided their recommended actions into two: Demand and Supplies. For demands they see the need to improve Family Development Sessions and to mobilize the CHTs to come up with a master list of the unmet needs so that it can be prioritized. As for the supplies, to augment budget, the region and the LGU should pool their resources together and make a projection or forecasting of common FP supplies and make a priority list so that budget can be allocated accordingly.

b. Increasing teenage pregnancy rate

- To address the issue of teenage pregnancy the group saw the need for strengthening reproductive health education among youth thru the U for U of the PopCom and AHIP of POGS vis-à-vis deepening education for parents on adolescent reproductive health and sexuality also by the PopCom in collaboration with the CSWD and CHO for the budget.
- Establish appropriate teen centers for in-school and OSY to be a venue where teenagers can converse, a venue for the conduct of health sessions and team building. However, there is a need to evaluate whether these teen centers are really able to help lower teenage pregnancy. Also, teen centers should always have adult social worker or counselor on duty.
- Engage youth organizations – RH education is already incorporated in education modules so to do more, youths

should be organized. Youth organizations can help offer activities that will focus on personal development and not on them engaging in sexual activities.

- Create Adolescent – friendly facilities. These facilities will help address youth issues and will serve as places where the youth will feel welcome. These facilities should have strong connections with medical institutions like hospitals.
- Primeriza program – a program intended for women on their first pregnancy focusing on education so that in their next pregnancy they will know the do's and don't's.
- Make a study /research– so that programs for teenagers are relevant and culture sensitive.

c. *No. of maternal deaths*

- To reduce maternal deaths, the actions are toward strengthening quality of ANC, improving the referral system focusing on first (mother to health facility) and second delays (health center to hospital), providing more BEMONC trainings among midwives, increasing supplies such as medications and blood to address complications, and providing training to private practitioners on how to submit reports therefore improving health information system (public-private and FHSIS-HOMIS)

d. *Manpower and Human Resource*

- The number and quality of professional personnel, and the process used to train this people determines the quality of workforce of the city. In addition, it is necessary to hire additional health personnel and seek assistance from national agencies.

e. *HIV*

- The CHO believes that education should be strengthened. A mechanism should be developed to encourage voluntary testing and to establish support group for PLHIV.

d. *Poor medical graduate retention for rural services*

- Train organic scholars and modify education system but focus on rural development. This entails a multi-sectoral approach, including the academe, the CHED, the local governments and the community.

C. Summary Workshop Output

Major Challenge: High Maternal and Neonatal Mortality

Development Challenges	Proposed Actions	Responsible Persons/Groups
1. Declining CPR -low budget on FP	<u>Demand</u> <ul style="list-style-type: none"> Increase # of FDS Classes Mobilize CHTs to identify WRAs with unmet need <u>Supply</u> <ul style="list-style-type: none"> resource pooling DOH-RO IX and LGU forecasting of FP supplies 	CHO and DOH
2. Teenage pregnancy rate increasing	<ul style="list-style-type: none"> conduct reproductive health education deeper parental education on ARHS establishment of teen centers review value of teen centers establish appropriate teen centers for in-school and out of school youths teen centers regularly manned by counselor engage adolescent and youth organizations FDS targeted at Adolescent Youth (OSY and In School) youth-oriented activities ex. Sports to engage youths Primeriza (First time pregnancy) 	POPCOM POPCOM POPCOM POPCOM DSWD CHO
3. Maternal mortality rate still above target -19 maternal deaths -high percentage of maternal deaths in hospitals -late referrals -poor public-private sector	<ul style="list-style-type: none"> improve referral system focusing on first and 2nd delays more BEMONC trained personnel supplies/emergency medicines including blood made readily available training for private sector to include reports in Health Information System (HIS) DOH RO IX-CHO collaboration FHSIS - HOMIS 	CHO CHO, DOH DOH - CHO

linkage		
4. Manpower and human resource	<ul style="list-style-type: none"> • hiring of additional health personnel • seek assistance from national agencies like DOH • intersectoral collaboration to address numbers quality and capability building 	DOH – Nat'l
5. High neonatal deaths	<ul style="list-style-type: none"> • same actions to prevent maternal deaths • Early Infant Neonatal Care • encourage Facility Birth Deliveries 	
6. High percentage of sexual active (Youth and Adolescents) <ul style="list-style-type: none"> • Incidence of HIV/AIDS cases 	<ul style="list-style-type: none"> • strengthen HIV surveillance among the youths • encourage voluntary testing • form support group for Persons Living with HIV 	CHO Public – Private
7. Poor medical graduate retention for rural services	<ul style="list-style-type: none"> • train organic scholars and modify medical education system 	Academe, CHED

ANNEX 3
WORKSHOP HIGHLIGHTS
TOWARDS REALIZING TAGBILARAN CITY'S POTENTIAL AS AN ECONOMIC
ENGINE IN THE VISAYAS AND THE PHILIPPINES: NEEDS ASSESSMENT
WORKSHOP

November 21, 2014
Bohol Tropics Resort, Tagbilaran City

I. Opening Session

Message from USAID

Mr. John Lawrence Avila, Program Specialist, USAID Philippines

In behalf of Mr. Clay Epperson, Director for Program Resources Management of USAID Philippines, Mr. Avila congratulated Mayor Yap for all accomplishments achieved during his term and lauded the city's efforts in addressing the vulnerability of the city to national disasters and increasing the city's competitiveness, solidarity and resiliency. He cited that despite the massive October 2013 earthquake that jolted the city and the province of Bohol, Tagbilaran ranked as the 28th most competitive city among 136 cities according to a report by the National Competitiveness Council (NCC) and ranked 6th in the government efficiency category.

Mr. Avila also gave a short background on the Cities Development Initiative (CDI), a framework developed as part of the partnership growth agreement signed by the US and the Philippines in November 2011. CDI works by providing a large range of development initiatives in targeted cities and by far, it had been piloted in three cities namely, Batangas, Iloilo and Cagayan de Oro. USAID is seeking to expand the coverage of CDI to other cities in the country. With USAID having had a long history of partnership with the province of Bohol and as the seat of government of the province, Tagbilaran is considered for inclusion to the CDI. USAID acknowledges the city's potential as an economic growth engine not only in the Central Visayas region but also the entire country. Beyond tourism, other potential industries are identified for the city including manufacturing and technology-based ventures. Lastly, Mr. Avila explained the rationale behind the workshop which is to surface development constraints, identify potentials for the city and initially discuss actions that will spur accelerated growth.

II. Plenary Presentations

USAID's Partnership for Growth and the Cities Development Initiative

Mr. John Lawrence Avila, Program Specialist, USAID Philippines

Mr. Avila discussed the thrusts of USAID's Partnership for Growth (PfG) and the Cities Development Initiative (CDI) and explained how they can assist in

improving national competitiveness. It was pointed out that currently, the Philippines lags behind its South East Asian counterparts in terms of GDP and Foreign Direct Investments. CDI, in particular, focuses on the development of second-tier cities like Tagbilaran City for inclusive growth. Mr. Avila mentioned that in the Cities and Municipalities Competitiveness Index (CMCI), Tagbilaran ranked 28th in overall competitiveness, 6th in government efficiency and 62nd in infrastructure. Historically, the city had been ranked 1st in Quality of Life for 2005 and 2007 and is among the top 20 most competitive cities in the country according to the Philippine Cities Competitiveness Project by the Asian Institute of Management Policy Center. The workshop participants were also informed about the CDI approach which includes collaboration and consultation with local partners, examination of key constraints to growth, prioritization of development interventions, assessment of technical gaps and identification of areas of support.

Tagbilaran City's Development Plans and Priorities

Engr. Estela Margate, Tagbilaran City Planning and Development Office

In behalf of Mayor Geesnell Yap, Engr. Margate presented the development plans and priorities of Tagbilaran City. Being the hub of trade and commerce, center of learning and seat of political power in the province of Bohol, the city plays a pivotal role in tourism development. Despite the development and growth achieved by the city, it is faced with the challenges of a steadily rising population and rapid urbanization. Engr. Margate also cited the 7.2 magnitude earthquake in October 2013 as the greatest development challenge faced by the administration of Mayor Yap as it badly damaged the City Hall and led to a critical change in the planning landscape for Tagbilaran. Topping the list in the city's priorities is the improvement of the road infrastructure with a number of city roads still in need of concreting. A comprehensive drainage system is also in the works even as funding sources are still bottlenecks in the realization of these plans. Second in the priority list is the rehabilitation of the City Hall. Next in the priority list is the improvement of social service delivery in education, health, and programs for the youth and the senior citizens. The current administration is also in the process of updating the City Investment Code and the Comprehensive Land Use Plan to create an enabling environment for investments. It is also envisioned that the city will become a tourism destination and not just a gateway for other tourism stops in Bohol.

Tagbilaran City's Role in the Development of Bohol and Central Visayas

Mr. Dionisio Ledres, Jr. , Chief Economic Development Specialist, NEDA Region VII

Mr. Dionisio Ledres gave a presentation which highlighted the role of Tagbilaran City in the development of Bohol and the entire Visayas. As part of the National Physical Framework Plan (NPFP), the National Spatial Strategy (NSS) is the core strategy in the development goal of inclusive growth. Such strategy

recognizes the role of cities as venues and as drivers of economic growth. In the Visayas Spatial Development Framework (VSDF), Tagbilaran is classified as a regional center, one of the five (5) urban centers in Visayas. Prospects for growth identified for Tagbilaran City include the completion of the Panglao International Airport which is expected to boost tourism and the installation of PLDT 40 GBS fiber optic cable which will jumpstart the city's effort to join the IT-BPM and business process outsourcing industry. With the anticipated tourism boom and the advent of BPO, employment opportunities will be available to the locals and this, subsequently, will fuel higher demand for the province's agricultural and fishery produce. Mr. Ledres also mentioned other provincial projects that could impact the city like the New Provincial Capital Building, the modernization of the Governor Celestino Gallares Memorial Hospital and the rehabilitation of the Tagbilaran Port.

III. Reporting of Workshop Discussions

Each breakout group selected a representative to present the outputs of their group discussion. The attached document provides the summary of the outputs and discussions of the four breakout sessions. *See Annex 5 for workshop mechanics.*

IV. Other USAID Initiatives

Overview of USAID's Industry-Academe Partnership for Tagbilaran City
Mr. John Lawrence Avila, Program Specialist, USAID Philippines

In behalf of the representative from the Office of Education of USAID Philippines, Mr. Avila spoke about how USAID's education team have had advance work in Tagbilaran prior to the workshop. This is in line with cooperation agreements with the Philippine Business for Education (PBED) and the Science, Technology, Research and Innovation for Development (STRIDE) project. The first Industry-Academe Summit had been held in Bohol last March 2014 organized by PBED and in this summit, tourism was identified as a major sector to focus on. An OJT consortium was also organized in August 2014. The PBED project also seeks to facilitate the development of a common HRM Tourism training facility with Catarman, Davao as the proposed location. They will also set up an industry-academe linkage with local universities and some tourism establishments. The STRIDE project, on the other hand, aims to improve science and technology through higher education scholarships in the US, research grants that support academe-industry partnerships, and partnerships between local and US universities.

V. Synthesis, Next Steps and Closing Message

Mr. John Avila congratulated all the participants for the effort they exerted in surfacing the needs and constraints of Tagbilaran City as an economic engine. He emphasized that the next step would be to prioritize the issues identified and to determine actions for intervention. According to him, action areas to be formulated should be geared towards improving city competitiveness and promoting inclusive growth.

Closing Remarks

Mayor John Geesnell Yap expressed his gratitude to the USAID-INVEST team and the participants of the Needs Assessment Workshop. Mayor Yap considered the experience as a development opportunity for the city. The support extended by USAID gives his administration renewed confidence in enhancing the investment and business climate in the city. He also hopes that the issues that surfaced in the workshop will set forth action plans that run parallel to the executive – legislative agenda (ELA) of Tagbilaran. Finally, he expressed optimism that these efforts will help his administration improve its fiscal management and revenue generation.

VI. Annexes

Annex 1. Highlights of Workshop Group Discussions

Annex 2. Slide deck for Mayor John Geesnell Yap : “Tagbilaran City’s Development Plans and Priorities”

Annex 3. Slide deck for Mr. John Lawrence Avila’s presentation : “Partnership for Growth – Cities Development Initiative: Promoting Engines of Inclusive and Resilient Growth”

Annex 4. Slide deck for Mr. Dionisio Ledres Jr. : “ Tagbilaran’s Role in the Development of Bohol and Central Visayas”

Annex 5. Slide deck on Rationale and Workshop Mechanics

Annex 6. Workshop Breakout Situationer Presentations

- 6.1 Session 1 - CPDO - Tagbilaran City Profile
- 6.2. Session 2 - DTI Bohol Presentation on Business Sectoral Profile & Opportunities
- 6.3. Session 3 - CENRO Tagbilaran Presentation on Environment
- 6.4. Session 4 - CDI Urban Health Tagbilaran Workshop
- 6.5. Session 4 - Tagbilaran City Health Office – CDI

6.6. Session 4 - Visayas Health Updates

Annex 7. Workshop Output Reports

7.1 Slide deck for Group 1: Enabling Environment for Investments: Infrastructure, Transport, and the Cost of Doing Business

7.2 Slide deck for Group 2: Accelerating Development of the City's Production Sectors

7.3 Slide deck for Group 3: Identifying Issues on Energy, Environment and Climate Change

7.4 Slide deck for Group 4: Addressing Issues on Health

Annexes 2-7 can be downloaded from:

https://drive.google.com/folderview?id=0Bwzg4PTJfsf0dHZnc1RsenJOOEk&usp=sharing_eid&invite=CPK4vu8E

Audio recordings of the workshop can be downloaded from:

<https://drive.google.com/folderview?id=0Bwzg4PTJfsf0akl5VTkwazRqUjA&usp=sharing>

ANNEX. HIGHLIGHTS OF WORKSHOP GROUP DISCUSSIONS

I. ENABLING ENVIRONMENT FOR INVESTMENTS: INFRASTRUCTURE AND TRANSPORT, AND THE COST OF DOING BUSINESS

A. Workshop Participants

Councilor Bebiano Inting	City Council
Estella Margate	City Planning and Development Coordinator
Jude Guien	DTI – Bohol
Deo Butawan	Bohol Bankers Association
Teddy Estoque	CEO-OBO
Primitivo Ontong	CTO
Livio Sarabia	City Assessor's Office
Samuel Belderol	BPLO
Piancita Castolo	CEO
Teresita Villafuerte	CSWD
Aida Evangelista	PPDO – Bohol
Engr. Hermilo Arcaya	PPDO – Bohol
Romulo Pasco	Bohol Local Development Foundation
Jacinto Villaflor, Jr	Bohol Water Utilities, Inc.

Jeanette Buscano	City Mayor's Office
Dionisio Ledres, Jr.	NEDA RVII
Flora May Aberia-Moore	Bohol Investment Promotion Center
Fe Dominise	Bohol Investment Promotion Center

Facilitators:

Mr. Nicasio Agusitn, Deputy Chief of Party, USAID INVEST Project

Mr. Jay de Quiros, Economist, USAID INVEST Project

B. Highlights of Workshop Discussion

SITUATIONER/INPUTTING

PRESENTATION OF THE BRIEF PROFILE OF TAGBILARAN CITY

Resource Speaker: Engr. Estela Margate, OIC, City Planning and Development Coordinator

Geographic Profile

- Tagbilaran is geographically located 9° 39' 20.6" north longitude and 123° 51' 55.05 east latitude. It is situated some 630 kilometers southeast of Manila and 72 kilometers south of Cebu City, the regional center of Central Visayas. It has a land area of 3,270.1 hectares which covers 15 barangays from which four barangays are considered urbanized. According to the NSO survey last 2010, the total number of households reached to 96, 792. And from the CHO data, the number of households reached to 16,951. The actual income from 2013 declared P 463, 579.206 and the approximate estimate actual income for this year is P 497,071. 303. The annual budget costs P 529,376.541 and the IRA is P 262, 211.303.
- Engr. Margate mentioned that the Internal Revenue Allotment (IRA) is more than half of its annual budget.

Business

- There are 33 banks, 61 hotels/lodging houses/pension houses/resorts, 5 malls/supermarkets and 3 public markets. As of December 31, 2013, a total of 8,269 business permits were issued in the city.
- Engr. Margate validated the data from Mr. Deo R. Butawan, President of the Banker's Association in the city. Mr. Butawan said that only 30 banks at present are registered in their association and that there are 2 banks scheduled to register for next year. He assumed that there are 33 banks that officially opened business from the city but some of them are not yet registered in their association.

Education

- There are 3 existing universities, 5 colleges, 15 private elementary/high schools, 8 public secondary schools, 17 public elementary schools, 19 private pre-schools and 34 day care centers.

Hospital Services

- There are 4 existing tertiary hospitals namely Gov. Celestino Gallares Memorial Hospital (GCGMH), a government owned hospital with 225 bed capacity and the remaining private owned hospitals namely: Ramiro Community Hospital with 100 bed capacity, Tagbilaran Community Hospital with 48 bed capacity and Holy Name Medical Center with 50 bed capacity. At present, Allied Care Experts (ACE) Medical Center which is privately owned is under exaction.
- There are 5 secondary hospitals namely Medical Mission Group (MMG), the only cooperative hospital with 50 bed capacity, St. Jude hospital with 25 bed capacity, Borja Family Hospital, privately owned with 40 bed capacity, Tagbilaran Maternity and Children's Hospital, semi private with 48 bed capacity and Englewood Hospital, privately owned with 50 bed capacity.
- A total of 10 hospitals found in the city but only 9 hospitals are presently operating:

NAME OF HOSPITAL AND ADDRESS	CLASSIFICATION	BED CAPACITY
Gov. Celestino Gallares Memorial Hospital (GCGMH)	Tertiary/Government	225
Medical Mission Group (MMG)	Secondary/Cooperative Hospital	50
St. Jude Hospital	Secondary/Private	25
Ramiro Community Hospital	Tertiary/Private	100
Borja Family Hospital	Secondary/Private	40
Tagbilaran Community Hospital	Tertiary/Private	48
Tagbilaran Maternity and Children's Hospital	Secondary/Semi-Government	30
Englewood Hospital	Secondary/Private	50
Holy Name Medical Center	Tertiary/Private	50
Allied Care Experts (ACE) Medical Center (proposed)	Tertiary/Private	(250)
T O T A L	10 hospitals	618

- Engr. Margate added that Allied Care Expert Medical Center is located at Mansasa along CPG East. Presently, there is ongoing excavation at the site. Hopefully, it will officially open next year.

Roads

Road Classification	Length (km.)	Right of way (m.)	Paved (kms.)		Unpaved (kms.)
			Concrete	Asphalt	Gravel
National Roads	18.331	20	9.399	8.932	-
City Roads	90.711	6-10	32.532	39.39	18.789
Barangay Roads	36.812	4-10	4.347	2.975	29.490
T O T A L	145.854		46.278	51.297	48.279

Bridges

- A total of four bridges are utilized within the city; these include 1) Sombria bridge located in Manga 2) Borja Bridge located in Poblacion 3) Suarez Bridge located in Pob. I and 4) Cabawan Bridge located in Cabawan. All of the bridges are made from concrete materials and has a load capacity of 20 tons.
- Engr. Margate added that the Sombria, Norja and Suarez bridges are under the maintenance of DPWH while Cabawan bridge is under the maintenance of the City Government.

Ports/ Airports

- There is only one passenger port with a total port area of 53, 380.69 sq.m. There are fourteen sea-based trips daily to and from Cebu, three of which are fast ferries. One trip offers transport to and from Dumaguete City via fast craft daily, direct to and from Manila four times a week and once a week to and from Mindanao.
- There are two fish ports, located in Poblacion I and Manga. Engr. Margate informed everyone in the group that the Manga port is badly damaged due to the earthquake last 2013 and still cannot be used.
- As for air travel, Tagbilaran's airport has a total runway length of 1,800 l.m. Four airline companies fly to and from Manila with a total of 8 flights a day.

Land Transport

- With regard to land transport, there are a total of 3,000 tricycles, 6,000 multicabs/jeepneys, 137 buses, 32,174 motorcycles, 14,541 SUV/van/car, 2,023 trucks and 182 other land transport vehicles.

Power

Power Source	-	National Power Corporation, Tagbilaran City
Tongonan Leyte Geothermal Plant	-	80 MG
Loboc Hydro Electric Plant	-	1.2 MG
Hanopol Hydro Electric Plant	-	1.8 MG
Bohol Diesel Power Plant	-	17.5 MG
Power Generation	-	100.5 MW
Power Distributor	-	Bohol Light Company Inc.
Systems Demand	-	15,388.00 KW
Peak Load	-	12,015.40 KW
Minimum Load	-	5,288.54 KW
Reserved Load	-	2,612.00 KW
Number of substations	-	2
Metering stations	-	2
Number of Electric Posts	-	2,694
Barangays Served	-	all 15 barangays of the city

Sources: NPC; BLCI

- Engr. Margate told the group that during the earthquake, the people of Tagbilaran did not experience significant power interruptions but when typhoon Yolanda hit Leyte, the province experienced had black outs for almost two months. There is dependency on the Leyte grid.

Water

TYPE OF CONSUMER					
	DOMESTIC	COMMERC'L	INST'L.	OTHERS	TOTAL
Bohol Water Utilities Inc.					
No. of connections	11,292	893	-	230	12,415
Ave. water consumption	11,316 cu.m./d	1,877 cu.m./d	-	2,921 cu.m./d	16,114 cu.m./d
Tagbilaran City Waterworks System					
No. of connections	4,581	17	49	-	4,647
Ave. water consumption	3,227.81 cu.m./d	40.18 cu.m./d	62.18 cu.m./d	-	3,330.17 cu.m./d

Communication Facilities

- Companies that provide landline services are PLDT, Globelines and Cruztelco. Smart, Globe and Sun provide cellular service.

OPEN FORUM

- Mr. Deo Butawan of Bohol Bankers Association expressed that the first thing that needs to be done is to prevent attrition of businesses in the city before even attracting new investments. He added that businesses establishments that are closing because the investors are not making money or have a hard time doing business in the city.
- Mr. Butawan emphasized that instead of passively waiting for investors, Tagbilaran must be able to package and create product offerings and actively promote such opportunities to the investors. He mentioned that the Bohol Tourism Council, headed by Atty. Lucas Nunag, has been doing similar initiatives to promote tourism investment opportunities in the entire province.
- Mr. Butawan also suggested that Tagbilaran develop products that would make tourists stay at least overnight in the city to generate additional revenues and economic activity, noting that many tourists (70% local) only make a daytrip in Bohol and go back to Cebu or other areas within the same day.
- Mr. Agustin clarified that the points shared by Mr. Butawan will be tackled during the workshop proper.

PRESENTATION ON APPLICATION OF BUSINESS PERMITS AND LICENSE TO OPERATE

Resource Speaker: Mr. Samuel Belderol, Business Permits and Licensing Officer

Applying for Mayor's Permit (Business Permit)

- A person who shall establish, operate or conduct any business, trade or activity within the City of Tagbilaran, shall obtain first a Mayor's Permit and pay the fee before the start of its operation.
- In case of a newly started business, applicant must secure LIST OF REQUIREMENTS and submit it after compliance of said requirements at BUSINESS PERMIT & LICENSING OFFICE
- Mr. Samuel Belderol emphasized that the registration process is supported by an ordinance in the city.

Requirements for New Applications

I. (FOR ISSUANCE OF ASSESSMENT AND BILLING STATEMENT)

1. Application Form
2. Property Index Number (ASSESSOR'S OFFICE)
3. Certificate of Registration (SEC/ DTI/ CDA)
4. Sketch Map of business location
5. Barangay Clearance of Employer
6. Residence Certificate/ Corporate Tax of Employer
7. CERTIFICATE OF OCCUPANCY (for new building) / CERTIFICATION AS OLD EXISTING BUILDING
8. Lessor's Permit

II. FOR ISSUANCE OF MAYOR'S BUSINESS PERMIT

Assessment Sheets & Billing Statement (with all attachments as enumerated in No.I)

Original Copy of Official Receipts of Payments for business taxes, fees, and charges

III. ADDITIONAL REQUIREMENTS:

Barangay Clearance of Employees
 Sanitary Permit and Health cards of employer and employees
 Contract of Lease if renting the building and or land (submit 2 photocopies)
 Fire Safety Inspection Certificate

- Mr. Belderol said that it is very important to have the property index number since this will create a link to the city treasurer's, business permit office and City Assessor's office. He added that during this time, both land and building will be classified either as residential or commercial. He mentioned that in other cities, business-one-stop-shops (BOSS) are in place the whole year round; they are targeting implementing the same in the city to make registration more convenient for investors.

STANDARDS STEPS FOR THE REGISTRATION OF NEW BUSINESSES

STEPS	ACTIVITIES	REQUIREMENT	OFFICE	REQUIRED ACTIONS	TIME FRAME OF ACTION AND WAITING TIME OF CLIENT
1.	Secure and File Application Form for New Business Permit	Filled-up Unified Form, SEC/DTI/CDA Certificate, Location Map, Barangay Clearance and Occupancy Permit	Frontline-BPLO	Give form, list of requirements and answer queries and Review, validate and endorse to next step	Day one (1)
2.	Ocular Inspection	All documents from Step one (1)	Joint Inspection Team	Issue remarks, comments and findings	Day two (2) – three (3)
3	Onetime assessment and onetime payments of taxes, fees and charges	All documents from Step one (1)	Treasurer's Office	Collect and issue Official Receipts	Day four (4)
4.	Issue/Claim Mayor's Permit	All documents from Step one (1) with OR and Inspection Report	Frontline-BPLO Mayor	Print, Sign and release Mayor's Permit	Day five (5)

- Mr. Belderol said that they are trying to improve their system. As suggested by the DTI and DILG, they are also tracking ownership of businesses by sex as well as total number of employees hired by each business.

STANDARDS STEPS FOR THE RENEWAL OF BUSINESS PERMITS

STEPS	ACTIVITIES	REQUIREMENT	OFFICE	REQUIRED ACTIONS	TIME FRAME OF ACTION AND WAITING TIME OF CLIENT
1.	Secure and File Application Form for Renewal	Filled-up Unified Form, previous Business Permits, barangay clearance and C.T.C.	Frontline-BPLO	Give form, list of requirements and answer queries and Review submissions and endorse to next step	Five (5) – fifteen (15) minutes
2.	Submit documents for onetime assessment and Onetime payment	All documents from step one (1)	Frontline-CTO Cashier	Collect and Issue Official Receipts	Ten (10) – twenty (20) minutes
3.	Issue/Claim Mayor's Permit	All documents from step one and OR	Frontline-BPLO Mayor	Print, Sign and issue Mayor's Permit	Five (5) – ten (10) minutes

- Mr. Belderol assured the body that they are trying to shorten the processing time from three

to two days for easy and fast facilitation of business permits. He added that they will try to lessen the number of signatories for the application of business permits since it is only a way of delaying the release of business permits.

Mr. Butawan suggested the implementation of online processing for renewal of permits. In this regard, Mr. Belderol cited examples of cities that have employed such schemes, including Iloilo. He said that they will adopt the same strategy in the next two years.

B. GROUP DISCUSSION

Poor Road Condition

- **Ms. Evangelista** suggested the development of an inventory of road lots that have issues with titles and lack of clear deeds of donation because it makes the improvement and expansion of roads difficult. Many commitments from ancestors do not have written agreements but mostly verbal pledges thus hindering the use of land by the city government for road works. Some heirs have refused to donate such lots because of the large amount of tax they have been paying.
- **Mr. Bulataw** suggested that the city should pay for these affected road lots either through

tax credits, expropriation, or through another modality. In any case, a city ordinance is required to authorize these transactions. **Mr. Belderol** also suggested road expropriation because it's cheaper on the part of the city government but the group agreed that this is politically more difficult.

- **Ms. Moore** suggested the development of a road sector map to create linkages and connectivity outside the city.

Poor Road Condition Inadequate/ Disorganized Terminals

- **Ms. Moore** suggested that the city government provide comprehensive information on stops, schedules and terminals so tourists will know how to get to places if they want to explore nearby destinations within the city.

No Traffic Management System and Office

- **Engr. Margate** informed the group that the city currently only has 5 stop lights installed.

Mr. Guheb added that these do not work when there are power interruptions.

Inadequate Drainage

- **Engr. Margate** informed the group that there is an existing drainage but the systems are not connected

• **Mr. Balutaw**- complained of the foul order during night time coming from Cortes. He said that it should also be a health and tourism concern of the city.

- **Mr. Belderol** suggested that the city coordinate with the national government and BLGU for this matter.

• **Ms. Dominise** suggested the establishment of a review development board or composite teams for projects with a budget of 100 million and above

No Waste Water/ Sewerage Treatment

- **Engr. Margate** mentioned that waste water is thrown back to the sea

- **Mr. Belderol** suggested private firms specializing in wastewater treatment be invited to invest in the city since these systems are very expensive.
- **Ms. Moore** also suggested that having proper disposal of hazardous materials and treatment of wastewater be one requirement prior to renewal of business.

Inadequate Water Supply and Undeveloped Water Supplies (Overextracted)

- **Ms. Busano** said that the city experiences lack of water supply and the city needs money to extract water sources outside the city (e.g. Corella).
- **Mr. Belderol** argued that they did not encounter problems regarding water sources because of the earthquake. He believed that the problem is more on the provision of facilities.

Inadequate Solid Waste Management

- **Deo Bulataw-** suggested that the open dumpsite in Dampas which is illegal be closed and instead pursue the proposed landfill project in Albur.

No Alternative Supply Sources of Energy

- **Ms. Dominise** suggested attracting investments for renewable sources

No Investment Promotion Center and a Lack of Marketing Initiatives

- **Ms. Busano** said that Mayor Yap recently reactivated the City Tourism Council and has proposed that every barangay must identify a tourist spot or product in their barangay. Currently, the Mayor acts as the chairman with the vice chair in the person of Ms. Emily Roslinda of BANGON. Among the members are Ms. Lagunay and Angelo Plaza. He further informed the body that they recently elected the next set of officers for the City Tourism Council which had already conducted barangay mapping. The next plan for the council is the creation of a master plan with a corresponding budget.

- **Ms. Dominise** strongly suggested the involvement of various stakeholders which will result in greater ownership.

Political Intervention in Investment Promotion (“local economic protectionism”)

- **Engr. Margate** and the other participants expressed difficulty in resolving political matters.

Increasing Drug-Related Problems

- **Ms.Castolo** said that there are no accredited physicians on drugs. User cannot proceed to rehabilitation centers without the referral of an accredited physician.
- **Ms. Busano** informed the group that there is a City Anti-drug Council.
 - **Mr. Belderol** suggested to strengthen advocacy through a symposium to solve illegal drug related problems.

Long and Cumbersome Processes In Securing Permits

- Engr, Margate said that there is no conflict in this matter. Some lots based from the city assessor’s office are still agricultural thus, cannot be used as collateral.

Other Concerns

- **Mr. Balutaw** recognized that there were a lot of efforts been made before USAID came here by the previous administration but it has not been realized because of the change of key persons and he felt that those efforts were wasted because the vision was not continued. And now, he is curious on how can USAID ensure continuity.

C. Main Summary Output

Development Challenges	Proposed Actions	Responsible Persons/Groups
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Development Challenges	Proposed Actions	Responsible Persons/Groups
1. Poor condition of roads(narrow in size and dilapidation of some) Some road lots have no deed of donation/title	<ul style="list-style-type: none"> • Conduct Inventory of affected road lots • Appropriation Ordinance <ul style="list-style-type: none"> -acquire thru tax credit - Absorb fees to be imposed to the donors - Deed of donation and ownership of title • provide budget • Formulate Road Sector Plan (emphasize the connectivity of Road esp. the proposed Metro Tagbilaran) 	<ul style="list-style-type: none"> • City Engineering Office • City Assessor • City Legal • City Planning • City Budget
2.Inadequate/disorganized public terminals	<ul style="list-style-type: none"> • Identify and provide additional terminals • study options for financing 	<ul style="list-style-type: none"> • City Engineering Office • City Budget • City Traffic Management Board • City Assessor
3. No traffic management system and office	<ul style="list-style-type: none"> • Creation of TM office • Review, update if necessary and enforce. 	<ul style="list-style-type: none"> • City Engineering Office • Office • SP • City Traffic Management • City Mayor's
4.Inadequate drainage Not interconnected; Coordination problem with DPWH	<ul style="list-style-type: none"> • Review and update drainage master plan. (include DPWH) • Multi-stakeholder Review and Evaluation Board(Creation) -Utilities and infra 	<ul style="list-style-type: none"> • City Engineering Office

Development Challenges	Proposed Actions	Responsible Persons/Groups
		<ul style="list-style-type: none"> • DPWH • City Planning • SP
5.No Waste Water /Sewerage Treatment	<ul style="list-style-type: none"> • Establish treatment facilities • Invite private septage management companies • Ordinance • Impose in business registration 	<ul style="list-style-type: none"> • City Engineering • Office • CHO • (Sanitary Officer) • DENR • City Budget
6. Inadequate Water Supply and undeveloped water sources (OVEREXTRACTED)	<ul style="list-style-type: none"> • Extract water sources outside the city (e.g. Corella) • Establish additional water supply distribution facilities • Explore desalination 	<ul style="list-style-type: none"> • City Waterworks Office
7.No alternative supply sources (DEPENDENT on Leyte GRID)	<ul style="list-style-type: none"> • Develop other renewable sources • Pursue Cebu-Bohol connection 	<ul style="list-style-type: none"> • City Waterworks Office
8. No investment promotion center and lack marketing initiatives	<ul style="list-style-type: none"> • Create and designate LEIPO officer • Create LEIP Council 	
1. Lack of systems and skilled I.T. Personnel in City hall	<ul style="list-style-type: none"> • Capability building <ul style="list-style-type: none"> -training - purchase equipment -benchmarking • Create permanent item/s 	<ul style="list-style-type: none"> • SP • City Mayor's
10.Long and cumbersome processes in securing permits	<ul style="list-style-type: none"> • full automation • streamlining of processes • Simplified forms 	

Development Challenges	Proposed Actions	Responsible Persons/Groups
11. Uncontrolled and illegal foreshore development(leasing and informal settlements, pocket reclamation)	<ul style="list-style-type: none"> • foreshore development plan and enforcement of policies 	
12.Outdated LIIC	<ul style="list-style-type: none"> • Update LIIC (revisit/outdated) • Pursue specific IPC 	<ul style="list-style-type: none"> • SP
13.No Local Tourism Office	<ul style="list-style-type: none"> • Create as part of investment promotion center 	<ul style="list-style-type: none"> • SP
14. No Standardization of Tourism Related Activities (fees: packages)	<ul style="list-style-type: none"> • Formulate tourism master plan. • Provide budget. 	<ul style="list-style-type: none"> • CPDO • Tourism office • Ciy Tourism Council • Budget Office
15. Lack of collaboration in tourism	<ul style="list-style-type: none"> • Strengthen Tourism Councils 	<ul style="list-style-type: none"> • City Tourism Council
16. No existing database on human resources in the city (skills/competencies)	<ul style="list-style-type: none"> • Coordinate with the Province-BEPO(Bohol Employment Placement Office) • Barangay Skills Inventory 	<ul style="list-style-type: none"> • CPDO, • City budget • PESO • HRMO • Planning
17.Political intervention in investment promotion(local economic protectionism)		
18.Increasing drug related crimes and problems	<ul style="list-style-type: none"> • Provide additional police enforcers. • IEC's against illegal drugs especially in schools • Collaboration with the people and civic organizations 	
19. outdated revenue codes	<ul style="list-style-type: none"> • Review and revise 	

Development Challenges	Proposed Actions	Responsible Persons/Groups
20. outdated clup/zoning ordinance (2006)	<ul style="list-style-type: none"> • Continue updating • Source out urban planning and other technical assistance • Provide funding • Database build up 	
21. Inadequate SOLID WASTE management	<ul style="list-style-type: none"> • Pursue Albur sanitary landfill • Increase garbage trucks 	<ul style="list-style-type: none"> • City Solid Waste Management office

II. ACCELERATING DEVELOPMENT OF THE CITY'S PRODUCTION SECTORS

A. Workshop Participants

John Avila	USAID
Blair Panong	DTI
Josephine Cabarrus	BCCI
Rommel Gonzales	BAHRR
Fiel Arao-arao Gabin	City Government
Marietta Gasatan	BCCI
Andrea Echavez	USAID COMPETE

Facilitator: Ms. Ofie Templo, Chief of Party, INVEST Project

B. Highlights of Workshop Discussion

SITUATIONER/INPUTTING

TAGBILARAN CITY: BUSINESS SECTORAL PROFILE AND OPPORTUNITIES

Resource Person: Mr. Blair Panong, Senior Trade and Industry Development Specialist, DTI

- Presentation of business sectoral profile for Tagbilaran City including identified industry opportunities. A profile of registered businesses in Tagbilaran City revealed that 71% belong in the services sector. Existing industries or sectors include manufacturing, agriculture, tourism, trade and construction. With regards to the manufacturing industry, three sub-sectors were mentioned namely; processed food, light metal works and furniture.

PROFILE OF REGISTERED BUSINESSES

Classification	Number	Percentage
Services (Accommodation, transport, medical, etc.)	2655	71.70
Trade (Retail stores , wholesale, etc.)	831	22.44
Manufacturing (Bakery, Metal shops, etc.)	69	1.86
Others	148	4

TOTAL	3703	100
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Source: DTI Bohol

- The need to identify new development pathways that encourage creativity and innovation in the pursuit of inclusive, equitable, and sustainable growth development was emphasized given the critical role of cities as “motors for change.”
- Mr. Panong discussed that the dream is for Tagbilaran City to be a “creative city” where industries following different local trajectories will thrive and where resources are found and readily available in the city or in the province of Bohol.
- The priority industries for Tagbilaran as a “creative city” include the creative, manufacturing, tourism, health and wellness, business process outsourcing (BPOs), and construction/infrastructure.

Group Discussion/ Open Forum

The group discussed the present situation in the Tagbilaran City relative to its thriving industries and identified the gaps between what is the reality and the dream of Tagbilaran being a “creative city.”

- The participants were agreeable that majority of the registered businesses in Tagbilaran City are from the services sector and many of these cater to the firms operating in tourism destinations like Panglao.
- It was also revealed that multisectoral planning was conducted years ago by International Solidarity for Asia (ISA) to create a roadmap for Tagbilaran to be a “dream city.” However, these tourism plans remained unimplemented due to political factors. Mrs. Gasatan of Bohol Chamber

of Commerce and Industry Inc. (BCCI) expressed that tedious efforts were exerted to formulate such and that they can be revisited and revised so they can be utilized at present.

- Tagbilaran City can position itself as a provider for products demanded by firms operating in towns like Panglao. To be able to do so, benchmarking should be done on the production capacity of the city and the requirements of the firms. Production opportunities could then be identified from the gap.
- There was a consensus among all participants that tourism is the primary economic driver of Bohol despite being described as an “agricultural” province and this is the reason why the tourism sector is identified as a priority sector by current City Mayor John Geesnell Yap.
- The City Tourism Council was just recently reorganized as it was revealed that there had been a disconnect between the city and the provincial level due to political affiliations of the local leaders. It was also revealed that the previous city administration did not prioritize the tourism sector which is in contrast to the thrust of the current city administration.
- It is also recommended that the tourism plans to be formulated in the future should be in consonance with the infrastructure projects to be initiated by the city government. The industries that need to exist for Tagbilaran as a “creative city” should revolve around or complement the tourism sector.
- The participants identified issues and constraints that hinder development efforts in Tagbilaran City. These issues were categorized into four, namely: Institutional, Development of Tourism Products/Services, Governance and Infrastructure. In terms of importance, they ranked institutional issues first and then followed by development of tourism products/services and governance, respectively.

C. Summary of Workshop Outputs

Developmental Challenges	Proposed Actions	Responsible Persons / Groups
INSTITUTIONAL		
<ul style="list-style-type: none"> Inactive Tourism, Small and Medium Enterprise Development (SMED) and Investment councils and other groups 	<ul style="list-style-type: none"> Reactivate/reorganize the city's Tourism Council and designate the City Tourism Office to provide secretariat support Organize the SMED council in the city 	<ul style="list-style-type: none"> Office of the Mayor Department of Trade and Industry (DTI)
<ul style="list-style-type: none"> Outdated Local Investment Incentives Code (LIIC); absence of an Investment Promotions Office (IPO) and no investment priority areas identified by the city government 	<ul style="list-style-type: none"> Revise the LIIC which will entail the identification of priority areas for investment, activation of an Investment Council and the organization of the Investment Office 	<ul style="list-style-type: none"> Office of the Mayor
<ul style="list-style-type: none"> Lack of information of past studies of tourism value chain/Need for more in-depth study of the tourism value chain 	<ul style="list-style-type: none"> Disseminate past studies and assess the need to conduct a more in-depth study of the tourism value chain 	<ul style="list-style-type: none"> DTI Development partners (DP), academic institutions and other stakeholders
<ul style="list-style-type: none"> Outdated Comprehensive Land Use Plan (CLUP) 	<ul style="list-style-type: none"> Amend the CLUP 	<ul style="list-style-type: none"> City Government
DEVELOPMENT OF TOURISM PRODUCTS / SERVICES		
<ul style="list-style-type: none"> No clear tourism product for Tagbilaran (no icon for the city, only Sandugo) 	<ul style="list-style-type: none"> Conduct workshop among stakeholders to identify an icon for the city and other products that the city needs to promote 	<ul style="list-style-type: none"> City Government USAID COMPETE
<ul style="list-style-type: none"> Lack of promotion activities which arises from a clear idea of products or "icon" that 	<ul style="list-style-type: none"> Develop non-competing tourism products to complement/support other tourism products in 	<ul style="list-style-type: none"> City Government Tourism Council Bohol Chamber

Developmental Challenges	Proposed Actions	Responsible Persons / Groups
could be marketed/lack of tourism promotion initiatives from government	<p>neighboring areas (e.g. landscaping services, event organizing, etc.)</p> <ul style="list-style-type: none"> Start a business matching scheme to address the needs of the tourism sector 	<p>of Commerce and Industry Inc.</p>
<ul style="list-style-type: none"> Need to improve the quality of the tourism workforce 	<ul style="list-style-type: none"> Prepare of an inventory of skills requirements of tourism sector Disseminate/Manage the Bohol Skills Registry Strengthen academe-industry linkage related to tourism including technical vocational courses 	<ul style="list-style-type: none"> TESDA, LGSP-LED DOLE, City Government, BEPO BOHOL ICT Council
<ul style="list-style-type: none"> Substandard hotels and accommodation / 	<ul style="list-style-type: none"> Strictly implement the accreditation process Improve the coordination between the DOT and the city government in enforcing accreditation standards. Encourage a self-policing private sector tourism enterprises to develop their own standards (for small enterprises) 	<ul style="list-style-type: none"> Department of Tourism (DOT) City Government
<ul style="list-style-type: none"> Need to develop different types of accommodation to suit an assortment of markets (i.e. market segmentation to identify market for specific types of tourists, e.g. 	<ul style="list-style-type: none"> Study the tourism market 	<ul style="list-style-type: none"> City Government and local tourism groups

Developmental Challenges	Proposed Actions	Responsible Persons / Groups
backpackers)		
<ul style="list-style-type: none"> Lack of city-based tourism key players 	<ul style="list-style-type: none"> Organize the different private tourism stakeholders in the city 	<ul style="list-style-type: none"> City Government Private Sector
<ul style="list-style-type: none"> Need for the city to diversify 	<ul style="list-style-type: none"> Promotion of creative industries (e.g. entertainment, music, culture and arts, etc.) Develop medical tourism. Explore the idea of the city as a product consolidator and make Tagbilaran a source center by encouraging farmers to come to the city at least once a week Develop organic and high-value crops and create a system in place for distribution. Upcycling project (develop a product out of trash) Product development for microenterprises (e.g. light metal works industry), identifying product niche 	<ul style="list-style-type: none"> City Government Private Sector
GOVERNANCE		
<ul style="list-style-type: none"> Drug problem issues (peace and order) 	<ul style="list-style-type: none"> Increase police visibility and coordination with barangays 	<ul style="list-style-type: none"> City Government
<ul style="list-style-type: none"> Tourism police lack visibility/ mobility. 	<ul style="list-style-type: none"> Provide logistics for police forces 	<ul style="list-style-type: none"> City Government
<ul style="list-style-type: none"> Poor and inconsistent 	<ul style="list-style-type: none"> Proper enforcement of laws 	<ul style="list-style-type: none"> City

Developmental Challenges	Proposed Actions	Responsible Persons / Groups
implementation of laws / regulations (e.g. traffic rules, street vending etc.)	and regulations <ul style="list-style-type: none"> Organize the vendors Set a designated place for hawkers and implement standards for them Enforcement of laws affecting tricycles 	Government
INFRASTRUCTURE		
<ul style="list-style-type: none"> No budget for development for tourism infrastructure 	(Was not tackled since the other groups will be tackling the topic)	
<ul style="list-style-type: none"> Lack of needed infrastructure for tourism promotion 		

III. IDENTIFYING ISSUES ON ENERGY, ENVIRONMENT AND CLIMATE CHANGE

Flamingo 1, Bohol Tropics Hotel & Resort, Tagbilaran City

A. Workshop Participants

Gloria Olavides	BFAR
Laurice Calipusan-Sarigumba	DENR-PENRO Bohol
Eusalem S. Quiwag	DENR-CENRO
Allan L. Poquita	BFAR
Angelo P. Yuayan	Holy Name University
Jica Cesaraine O. Pacatang	University of Bohol
Suzette Magallano-Aranas	City Government
Julian E. Torillo, Jr.	Bohol Island State University
Blesila P. Diezon	BOHECO I
Tito O. Andamon	BOHECO II
Francis Bernard I. Batoy	BIDEF

Joel L. Gubot	Process Bohol, Inc.
Capt. Norberto P. Mendez, Jr.	CMO-Environment
Gil Maraguinot	Ecofish Project
Aida L. Evangelista	PPDO
Engr. Moises Cañete, Jr.	BEMO

Facilitator: Marian C. Navata, Office of Energy, Environment and Climate Change,

USAID

B. Highlights of Workshop Discussion

SITUATIONER/INPUTTING

STATE OF THE ENVIRONMENT OF TAGBILARAN CITY

Resource Person: Eusalem S. Quiwag, Community Environment Officer, DENR-CENRO

DENR-CENRO's presentation discussed the city's land classification, physical condition which comprised of land cover, slope, elevation, geo-hazard, agricultural, timberland and foreshore areas.

Environmental Condition and Reclamation areas/Group Discussion

- There are reclamation issues in Tagbilaran City. About 5 hectares in the foreshore areas do not have land titles. The DENR only issues tenurial instruments and/or land titles. It is the Local Government Unit's jurisdiction to issue permits for construction based on their approved CLUP and Zoning Ordinance.
- In 2009 and 2010, DENR conducted foreshore survey and the proposed plan was to have Memorandum of Agreement (MOA) with the City Government to conduct joint survey as basis for the planning for the Foreshore Development Plan of Tagbilaran City. At present, the city is unable to come up with the Foreshore Development Plan but the data collected by the DENR is available. Many commercial and residential developments have been made in the foreshore areas even without the Foreshore Development Plan of the city.
- The number of tenurial instruments issued for foreshore areas is limited and these instruments are confined to development areas stated in the Comprehensive Land Use Plan (CLUP).
- The City Government must address these issues immediately by updating the Integrated Coastal Resource Management Plan (ICRM) which was last updated in 2007.
- The guidelines provided by the DENR are intended for proposed reclamation areas. However, there are no guidelines on the existing illegal reclamation areas. There is a law that states that these should be confiscated. However, there are no guidelines on the procedure of confiscating these illegal reclamations.

- Bohol Quality was one of the five who were granted amnesty. A resolution of endorsement was requested from the Sangguniang Panlungsod to favor them as a requirement for their title application at DENR. The SP decided it was unfavorable on the basis of environmental issues and social acceptability. Currently, construction is on-going but BQ is unable to pay the proper tax for the use of the land.
- It is also possible that other establishments who illegally constructed in the reclamation areas are not remitting the exact tax due to the absence of a land title.
- Under the National Greening Program Project, urban planting of about 13 hectares is being conducted in Tagbilaran.

Climate Change and Disaster-related/Group Discussion

- Sea levels in Bohol will most likely to continue to rise and climate change adaptation should be taken seriously. There are a lot of coastal barangay areas in Tagbilaran. Massive information, education, campaign on climate change; enhance capacity to conduct vulnerability assessment; hazard mapping; and formulation of relocation/evacuation plan are needed.
- There is no river flooding in Tagbilaran City. Based on the Mines and Geosciences Bureau, the city has a low susceptibility to landslide events.
- Due to last year's Bohol 7.2 magnitude earthquake, a lot of sinkholes were formed in Bohol Province and Tagbilaran City.

Water, Energy and Power Issues/Group Discussion

- Around 65-70% of the households have access to Level III. The city's water supply source is dependent on groundwater. In the discussion, surface water extraction, rainwater harvesting was recommended since the province is limestone-based. The city's access to water is dependent on the presence of electricity. After Yolanda affected Ormoc in Leyte, Tagbilaran's water and electricity was highly affected.
- The Bohol Energy Development Advisory Group formulated a Bohol Power Plan. There is a need to prepare power supply and transmission plans.
- Additional input from DTI-Bohol- Blair Panong during the open forum:
 - Net metering initiative as implemented in Cebu (VECO) should be considered in the

- City.
 - Encourage households to invest in solar cells for solar power.
 - Excess energy from personal use will then be purchased by energy service providers
- from the households.
- A study-tour will be conducted in Cebu for possible duplication.

C. Summary of Workshop Outputs

Developmental Challenges	Proposed Actions	Responsible Persons / Groups
<ul style="list-style-type: none"> • Existing structures in untitled reclaimed land areas; approximately 5 hectares (BQ) in foreshore areas in Brgy. Poblacion II. Structures include: Crab House; Jun Magat; Lower Mansasa; Ramirez; Villa Alzhun; Ramiro; LMP Building; Phil. Coast Guard; JJ's Seafoods; Alturas (Pier Area); Bohol Tropics 	<ul style="list-style-type: none"> • Preparation of Forest Land Use Plan (FLUP) for Timberland Area • Review Integrated Coastal Resources and Management Plan (ICRMP) of 2007 • Response action plan from the LGU, which may include: (a) resettlement/ relocation of affected constituents; (b) regulatory measures (e.g., city ordinance) to limit or control development (informal settlers) • Completion of the updated Comprehensive Land Use Plan (CLUP) 	<ul style="list-style-type: none"> • Local Government Unit • PPA • DENR • PRA • BEMO • DOT • Private sector/ business owners • other concerned stakeholders
Presence of Fish cages in Daus Area	<ul style="list-style-type: none"> • Coordinate with concerned municipality 	LGU DENR

		BEMO
<ul style="list-style-type: none"> Inadequate waste management system(current open pit waste disposal system due for closure last 2007) 	<ul style="list-style-type: none"> Construct ion of approved three buildings: Dampas site; Depository of residual waste (biocomposting); and Depository of special waste 	<ul style="list-style-type: none"> City Government DOH City Health Office DENR BEMO Academe NGOs
<ul style="list-style-type: none"> Need for disaster preparedness at LGU level 	<ul style="list-style-type: none"> Preparation of 3 to 5 year Local Disaster Risk Reduction and Management Plan (to include Gender concerns) Preparation of Relocation and evacuation plan 	<ul style="list-style-type: none"> Local Disaster Risk Reduction Management Council City Administrator 15 Barangay DRRMC Academe NGOs PAGASA MGB Phivolcs OCD BEMO DENR Private sector
<ul style="list-style-type: none"> Climate Change Adaptation City's vulnerability to sea level rise of 1 meter in coastal barangays area based from a study 	<ul style="list-style-type: none"> Relocation and evacuation plan Massive Information-Education Campaigns, e.g., pamphlets in local dialect, schools and barangay assemblies Capacity-building on CCA initiatives, conduct of Climate Change Vulnerability Assessment Updating of Hazard Maps 	<ul style="list-style-type: none"> DepEd LGU Academe NGOs PAGASA BEMO EMB City Engineering Office MGB
<ul style="list-style-type: none"> Presence of Sinkholes in the city 	<ul style="list-style-type: none"> Inventory baseline Study 	<ul style="list-style-type: none"> LGU DENR

particularly in Poblacion I; Poblacion II and Taloto	<ul style="list-style-type: none"> Preparation of needs assessment study 	<ul style="list-style-type: none"> MGB
<ul style="list-style-type: none"> Water and Sanitation Quality control for water refilling stations Alternative water sources (access to water is dependent on electricity) 	<ul style="list-style-type: none"> Improvement of water well systems Encourage harvesting of rain water (discussed already by the Sangguniang Panlungsod) Feasibility Study Formulation of Sewerage and septage treatment system plans Regular monitoring Water purification facilities Spring development City Waterworks Development and Management Plan 	<ul style="list-style-type: none"> LGU DOH BEMO City Engineer Water service providers City Health Office Provincial Health Office Environmental Management Bureau
<ul style="list-style-type: none"> Drainage problem 	<ul style="list-style-type: none"> Cesspool Treatment Facility (waste water treatment) (particularly San Jose outfall, JA Clarin outfall and in Poblacion I - VP Inting Avenue) 	<ul style="list-style-type: none"> LGU DPWH City Engineering Office
<ul style="list-style-type: none"> Energy and Power Need for sustainable source of power (currently dependent on neighboring provinces) 	<ul style="list-style-type: none"> Prioritize the NGCP plan to construct submarine cable (Loon-Cebu) Preparation of Bohol Power Supply Plan and Bohol Power Transmission Plan (Bohol Energy Development Plan exists, first in Region) 	<ul style="list-style-type: none"> LGU Bohol Energy Development Advisory Group Academe NGO DOE National Grid Corporation of the Philippines

	<p>VII)</p> <ul style="list-style-type: none"> • Formulate appropriate Resolutions • Support for BEDAG • Coordinate with Provincial government that is pushing for own power generation (Renewable Energy) 	<ul style="list-style-type: none"> • BOHECO I • BOHECO II • BLCI • Bohol Diesel Plant
<p>Air Quality</p> <ul style="list-style-type: none"> • Air pollution from piggeries in neighboring municipality • Smoke belching 	<ul style="list-style-type: none"> • Create monitoring team comprised of National Agencies; Provincial Government; City Government; NGOs; CSOs • Monitor air pollution level/air quality • Coordinate with concerned municipality • Review and update the City Environmental Management Code • Recommend potential source for biogas • Environment Monitoring Plan (provincial level) 	<ul style="list-style-type: none"> • EMB (only two inspectors deployed for Region VII area) • NGO • CSOs • City Planning Office • Land Transportation Office • Smoke Emission Testing centers

IV. ADDRESSING ISSUES ON HEALTH

A. Workshop Participants

Apollo John V. Bernaldez, MD	City Health Officer
Teresa Carpio	USAID
Corazon Paras	IMAP, President
Mae Elaine Apalisok	IMAP
Dionesia Garayan	IMAP
Ma. Portia Reyes	DOH
Marissa Dela Cruz	PhilHealth - LHIO Tagbilaran
Mona Liza O. De Veyra	PhilHealth – LHIO Tagbilaran

Greg Julius Sodusta	PHO – Bohol
Leonidas Sanie	Nurse III
Maria Reina T. Balay	CHO - Tagbilaran
Leonita R. Relamida	CHO – Tagbilaran
Federica C. Goroniano	PHO – Bohol
Susana K. Madarieta, MD,MPH	Deputy Chief Of Party – VH
Minjel Naparate	Provincial Coordinator, Bohol – VH
Ruth Del Prado	DOH
Carmelita M. Tecson	OPSWD
Jeffrey Licardo	Provincial Coordinator, Cebu - VH
Merlyn Rodriguez	Policy & Advocacy Officer - Visayas Health
(VH)	
Juvane Simbit	City Mayor's Office – City Tourism

B. Highlights of Workshop Discussion

PRESENTATIONS

- 1. Cities Development and Urban Health**
- 2. Tagbilaran City: Health Situationer**
- 3. Convergence of DOH – USAID Health Efforts in Bohol**

Cities Development and Urban Health

Resource Person: Ms. Ma. Teresa Carpio

Private Sector Development Specialist, USAID

- Urban population is rising at about 2.3 percent in the Philippines, which is higher than the estimated 1.8 percent increase of total population between 2000 and 2005.
- Tagbilaran City is all ready to urbanize at a more rapid pace
- Urbanization and Urban Area defined
- ✓ Urbanization - the process by which large numbers of people have become permanently concentrated in relatively small area, forming cities; Overall shifts in the economy from farming towards industry, technology and service
- ✓ Urban Area - very developed, with a density of human structures such as houses, commercial buildings, roads, bridges, and railways.
 - Urban Barangay has any of the following:
 - ✓ a population size of 5,000 or more;
 - ✓ five or more establishments with 10-99 employees, and

- ✓ five or more facilities within two kilometers from the barangay hall.

Advantages of Urbanization	Effects/Challenges of Urbanization
Economic Development; Job opportunities	<ul style="list-style-type: none"> • Congestion, Slum Formation; Pollution (noise & air) • Potential for explosive outbreaks • Violence
Health services & specialization	<ul style="list-style-type: none"> • Social exclusion; • Urban Health Inequity
Fast food, restaurants	<ul style="list-style-type: none"> • • Obesity & unhealthy lifestyle
Recreation Education center	<ul style="list-style-type: none"> • More liberal attitude, exposure to sexuality • High teen-age pregnancy • Initiation of smoking, alcoholism, drug abuse
More Buildings, parks, malls Good Roads Means of Transportation	<ul style="list-style-type: none"> • Unsafe human Settlement • Pollution (noise & air) • Traffic; Road traffic injuries • Violence • Others

- Urban health: health of a population that lives and works closely together, usually in an incorporated area, such as a city or town, with a common water supply and with similar environmental conditions.

- **Heathy Urbanization:** urbanization that protects and promotes public health rather than threatens or erodes health of individuals and communities.

“The process of enabling people to gain greater control over their health and their determinants through good urban governance that creates equal social opportunities for health for all.” WHO Kobe Centre, 2005

- **Urban Health System Development:** issued in 2011; focused on addressing urban health equity challenges; with main goals of improving health system outcomes in terms of better health outcomes, more equitable care financing and improved responsiveness and client satisfaction

Specific objectives:

- a. To establish awareness on the challenges of Urban Health;
- b. To initiate inter-sectoral approach to Urban Health Systems Development;
- c. To guide LGUs to develop sustainable responses to the Urban Health challenge

“It’s been almost six years when UH or Urban Health Equity Assessment and Response tool was implemented, or more appropriately utilized in the City of Paranaque A tool, which pave the way to a lot of discoveries and realization, that much needs to be done in Paranaque City”

- Urban health is a multi-sectoral effort. While non-health concerns can be the more significant problems, the health sector can take a leadership role with conscientious tracking of health data and evidence-based analysis of health issues.
- To address unintended inequitable consequences of development, the health sector can take a pro-active role in engaging other sectors towards the common objective of addressing health inequities.

Tagbilaran City Health Situationer

Resource Person: Dr. Apollo John O. Bernaldez

Tagbilaran City Health Office

Current Challenges:

- Case Detection Rate for PTB program – low
- URTI leading cause of Morbidity

- Low CPR
- High Demand for Ante Natal Care
- Lack of Sanitary Inspectors
- No ambulance
- No Animal Bite Centers
- Cancer leading cause of Mortality

Convergence of DOH – USAID Health Efforts in Bohol

Resource Person: Susana K. Madarieta, MD, MPH
Deputy Chief of Party, USAID Visayas Health

Visayas Health a five-year USAID assisted/funded project focusing on Maternal/Child Care and Nutrition and Family Planning. The Project has eight (8) project sites including Bohol in Region VII. It contributes towards generating demand, strengthening supply of Family Planning/ Maternal & Child Care and Nutrition (FP/MNCHN) and support to policies and systems within the framework of Aquino Health Agenda on the Universal Health Care (AHA-UHC)/ Kalusugan Pangkalahatan in the Visayas Health assisted provinces.

Challenges

- Increased Maternal Mortality
- Contraceptive Prevalence Rate (CPR) low in 15-19 age group and among low quintile
- High unmet need for FP services
- Increased in Teenage Pregnancies – more than doubled in the past decades

Intervention

On low Contraceptive Prevalence Rate:

- Demand Generation: integrate FP into MCH services thru “Usapan”/Conversation series (pregnant, postpartum and males) through Usapan facilitators
- Improve supply and prevent stock outs
- KP roadshow

On Low FBD/SBA:

- Intensify Pregnancy Tracking System– make use of pregnancy tracking boards and delivery tracking boards
- Conduct Buntis Celebration

On low EBF(exclusive breastfeeding):

- Functionalize Breastfeeding counselors
- Intensify the training for facilitating the EINC

On High Teen-age Pregnancy:

- Program for Young Parents (PYP)
- Adolescent Job Aid (AJA), locally initiated AYRH activities

SUMMARY OF INPUTS

- *Low TB Case Detection Rate (CDR).* This is due to social stigma thus unwillingness on the part of the concerned and some missed cases. TB DOTS program is not properly institutionalized; not totally absorbed by the LGU although the DOH is doing an active campaign for it.
- *Upper Respiratory Tract Infections.* This is the leading cause of morbidity in the city. With lack of sanitary inspectors in the city this could be one of the causes of increase in URTI cases due to pollution and poor sanitation.
- *Low Contraceptive Prevalence Rate (CPR).* Concerns mostly among the teenagers as manifested in the increase of teenage pregnancies. Teens need consent from adults for them to avail of the contraceptives.
- *Low for Ante Natal Care.* Teenage mothers are mostly hesitant for ante natal care. In most cases they come out only when they are on their last trimester of pregnancy. In some cases, unwillingness due to economic reasons and lack of support system on the part of the pregnant mothers could be the reason for this.
- *Increase in Mental Cases and Substance Abuse.* The city is becoming a dumping ground for the mentally ill who roam around posing health threat to everyone who might come in contact with them specially with the absence of a health facility or health management program for such cases. Substance Abuse is rampant everywhere even in rural areas. In the city, it is an immediate and growing concern that needs to be addressed properly. It is a social cancer that affects not only the concerned families but everybody in society, thus the health threat that comes with it.
- *Increase in STI/HIV cases due to “sex tourism”.* Financial constraints play a big role in sex tourism. Oftentimes it has become a tool for women in the hope of seeking a foreigner husband who would rescue them from their plight. Lack of health education among sex workers also increases the occurrence of STI/HIV among them.

- *Increasing slum formation.* With urbanization, migration from rural areas in the hope of primarily finding jobs in the city leads to the increase of informal settlers along port areas, market areas, garbage dump sites and other idle lands. They flock to areas where they could tap water and electricity for free posing a big threat to sanitation among themselves as well as to the community where they settled. Usually, predominantly male migration replaced by household migration. Urbanization has been traditionally linked to development, and development with health, but also development is linked with the growth of slums which are linked to poor health.
- *Inadequate implementation of Environmental Sanitation.* Factors such lack of Sanitary Inspectors could be one of the reasons for inadequate implementation of Environmental Sanitation in the city. With a growing populace comes the heavy burden of controlling environmental sanitation and its implementation. Increasing the manpower for these tasks as well as adaption of the Bohol Sanitation Code would greatly help address the issue.
- *Illegal reclamation areas, open dumpsite.* Comes with the increase of illegal settlers in cities. Open dumpsites poses health hazards increasing risk of diseases.
- *Lack of local data for both public and private health facilities and referral system.* The Importance of barangay data, city data, country data, good data and documentation can get you good funding support. Disaggregated data is needed to examine intra-urban differences to identify inequities as well as it provides focus and direction.

SURFACING OF ISSUES/ CONSTRAINTS/ BOTTLENECKS

1. Threat to urban health conditions

- *Infectious diseases: Low TB CDR.* Social stigma plays a great role in the decrease of case detection rate in the city and in some instances, it is labeled as 'missed cases.' Although the PHO is doing a massive campaign through its provincial coalition against TB program, it would be of much help if the Provincial and City government units would totally absorbed the TB DOTS program through utilization of the purok system in every barangay. Relying solely on our public health staff for detection

wouldn't be enough especially if the patient is unwilling for examination and we have to rely only on the patient's behavior.

- Updated and current accreditation to Philhealth means incentives especially on the part of participating agency for the TB DOTS program thus encouraging the workforce to be more aggressive in case detections.
- *NCD: Increasing mental cases and substance abuse.* Absence of Health facilities for mental cases in the province where these mental patients are kept specially after receiving their treatments if there are any. Lack of families/relatives that would welcome them back home so nobody to monitor them for their medications. They are usually left on their own in the streets and the cycle goes back again.

2. *Increasing teen-age pregnancies; Low CPR; Low for ANC.* Lack of parental supervision and guidance rank first among the reasons for teenage pregnancy. Another is lack of education specifically aimed at preventing pregnancy. Proper information and education dissemination about teenage pregnancy should be conducted specially for the OSYs. Limited access to contraceptives among our teenagers is another issue for the prevalence of teenage pregnancies. Close monitoring and house visits by our barangay health providers.

3. *Increasing STI/HIV cases (due to "Sex Tourism").* Lack of facilities catering solely to sexually related cases and findings in order to provide privacy for consultations and counseling. Inadequate testing facility for diseases (sexually transmitted) and HIV detection. Freelancers not seeking regular checkups pose a big risk to the group.

4. *Increasing slum formation (port areas, market, bus terminals, and idle buildings).* No permanent address, they just come and go so monitoring and tracking for health profiling is difficult. They are potential for beggary, dependence on drugs and future crimes. (Related to other sector)

5. *Inadequate implementation of Environmental Sanitation.* No water treatment facility

and sewerage system. Lack of manpower for Sanitary Inspectors. (Related to other sector)

6. *Illegal reclamation areas, open dumpsite.* Absence of sanitary landfill. Inadequate

implementation of environmental sanitation. (Related to other sector)

7. *Lack of local data for both public and private health facilities and referral system.* Lack of coordination specifically with factual data between government offices (executive and legislative) and health facilities (private and public) could be detrimental to the success of numerous projects/campaigns/drives.

IDENTIFICATION OF ACTIONS AND POTENTIAL ACTORS.

1. Threat to urban health conditions

- *Infectious diseases: Low TB CDR.* Aggressive and more active campaign for the CHO's Provincial Coalition Against TB action specifically with the case detection rate. TB DOT's program should be totally absorbed by the LGU for proper collaborative effort in case detection. Give incentives to public health staff in their detection for TB cases to encourage aggressive workforce in future case findings. Renewal of accreditation of the TB DOTS program encourages incentives.
- *NCD: Increasing mental cases and substance abuse.* To address the problem, the team realized that this entails collaborative effort from the regional, provincial, city and municipal government units for proper management and treatment. Respective municipalities from where these mentally incapacitated individuals should be contacted to track down families/relatives and significant others for the care and monitoring of these patients.

The Provincial Government, City Government and other private sectors could work hand in hand for the possibility of a government hired psychologist/psychiatrist for mental illness management.

CHO, PSWD and CSWD can help address the case specifically in tracing their families and SOs. This entails a multi-sectorial approach.

2. *Increasing Teen-age pregnancies and Low CPR.* Establish teen headquarters with an adult facilitator hopefully with LGU resources. The city launched Program for Young Parent (PYP) in Gallares Hospital for referral purposes of pregnant youths. For ISYs, the local government's CHO in cooperation with CSWD and the schools are tapped to educate the students on this matter. The U4U program of the PopCom is targeted for the ISYs which direct more in prevention of pregnancy. AJA is also trained for this purpose. For the OSYs where most of the number of teenage pregnancy occurred, they can be referred to the barangay health units for lectures focusing on the preventive side.

Low CPR. Since the youth don't have access to contraceptives, they will be encourage to make or establish a connection to a service provider both in public and private and the negotiation for procurement could start there. The government could also appoint youth facilitators or adult facilitators for the provision of contraceptives to our sexually active teenagers. These facilitators could also be utilized to provide health inputs to active teens. The team also saw the need for a Contraceptive and Technology Update (CTU) trainings.

On Low ANC. For low ANC, close monitoring of AP mothers and actual house to house visits to pregnant women. Mentoring on midwives, barangay health providers (BHWs) that monitor and attend to these mothers and the utilization of pregnancy/delivery tracking boards. NDP nurses supervising/assisting the CHT's assigned to barangays could also help in the tracking of AP mothers. More training on Ante Natal Care. Still, health education focusing on the risks of failure to avail of the privileges of pre-natal care could make a difference in the pregnant mother's choice.

3. *Increasing STI/HIV cases (due to "Sex Tourism").* Provide facility for counseling and checkups to sex workers to ensure privacy thus encouraging future regular checkups. Laboratory facilities for diagnosis should be sustained. Education is still essential for proper information especially on awareness/precautions of these sexually transmitted diseases for social hygiene. Weekly regular check-ups should be encouraged. Establishments should be tapped for proper tagging of the sex workers. Ordinance regarding sex workers should be crafted since the city is into tourism for monitoring.
4. *Increasing slum formation in port areas, markets, unused buildings and bus terminals.* Start surveying, monitoring and educating to the informal settlers for health profiling. Incentives could be given to families who comply with the sanitation standards of where they are temporarily occupying because one family could grow into a large community, so

advocate the first few informal settlers for proper monitoring. Any possibility of the DSWD in adding these informal settlers to the National Household Targeting System (NHTS) or the Pantawid Pamilyang Pilipino Program (4Ps) list. (Related to other sector)

5. *Inadequate implementation of Environmental Sanitation.* Possibility of water treatment and sewerages system in the city? Adaption of Bohol Sanitation Code. (Related to other sector)
6. *Illegal reclamation areas, open dumpsite.* Possibility of a Sanitary landfill in the city. Inadequate implementation of environmental sanitation. ((Related to other sector)
7. *Lack of local data for both public and private health facilities and referral system.* There is a need to know and consolidate primary, secondary, and tertiary data in private and public health facilities. Revitalized Inter-Local Health Zone (ILHZ) and the Provincial Technical Working Group (PTWG) in the health sector for proper coordination.

C. Main Summary Output

Development Challenges	Proposed Actions	Responsible Persons/Groups
1. Threat to urban health conditions <ul style="list-style-type: none"> • Infectious diseases: Low TB CDR • NCD: Increasing mental cases and substance abuse 	<ul style="list-style-type: none"> • Renewal of TB DOTS accreditation • Build a mental health management and facility • Learn from the experiences of the Urban HEART Project of Paranaque City or other similar initiatives 	<ul style="list-style-type: none"> • CHO • DOH/Provl./City LGU and DSWD

2. Increasing teen-age pregnancies, low CPR; low 4 ANC (ante natal care)	<ul style="list-style-type: none"> • Info dissemination of RPRH Law IRR to LGU Officials • Fasttrack MCP accreditation of CHO • Referral to the PYP facility at Gallares Memorial Hospital • Engage NGO's with Adolescent RH services/community-based ARH initiatives • Implement the U4U activities for adolescents • Pregnancy tracking • Mentoring of public/private HSPs/NDPs 	<ul style="list-style-type: none"> • DOH/Visayas Health/Provl./City LGU • Regl./Provl./City LGU and POPCOM • Visayas Health • CMSU/IMAP
3. Increasing STI/HIV cases (due to "Sex Tourism")	<ul style="list-style-type: none"> • Strengthen the City Social Hygiene Clinic • Advocacy to CSWs to submit to social hygiene regularly (weekly) 	<ul style="list-style-type: none"> • DOH/P/CLGU
4. Increasing slum formation (port areas, market, bus terminals)	(referred to other sector)	
5. Inadequate implementation of Environmental Sanitation	. Adaption of Bohol Sanitation Code	
6. Illegal reclamation areas, open dumpsite	. (referred to other sector)	

7. Lack of local data for both public and private health facilities and referral system	. Strengthen the Tagbilaran ILHZ	
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ANNEX 4
WORKSHOP HIGHLIGHTS
TOWARDS REALIZING PUERTO PRINCESA CITY'S POTENTIAL AS AN
ECONOMIC ENGINE: NEEDS ASSESSMENT WORKSHOP

November 25, 2014
Hotel Centro, Puerto Princesa City

I. Opening Session

Welcome Remarks

Hon. Lucilo Bayron, Mayor, Puerto Princesa City

City Mayor Lucilo Bayron greeted the USAID officials and project representatives, city councilors, fellow public servants, private sector representatives, and the rest of the workshop participants, and expressed gratitude for their attendance. He thanked USAID/Philippines for including Puerto Princesa City under its Cities Development Initiative (CDI), mentioning that USAID Mission Director Gloria Steele gave instructions to consider Puerto Princesa in the CDI during her last visit. The mayor expressed the city's appreciation for upcoming technical assistance from USAID which will contribute to realizing the potentials of the city as an economic engine. He also requested the audience, especially Puerto Princesa city government officials and employees to stay for the entire duration of the needs assessment workshop and to participate actively in the discussions.

Message from USAID

Mr. Clay Epperson, Director for Program Resources Management, USAID /Philippines

Mr. Clay Epperson expressed gratitude for the presence of Mayor Lucilo Bayron and city officials. He congratulated Mayor Bayron for the city's accomplishments, including the city's efforts at making a greener, yet more competitive Puerto Princesa. He commended the city for maintaining its status as a carbon neutral city, the first in Asia.

Mr. Epperson mentioned that in November 2011, the Philippines and the United States Government signed the Partnership for Growth (PGF) to address the most serious constraints to economic growth and development in the Philippines. He explained that under this framework, the CDI seeks to assist the country in promoting higher, sustained, and more inclusive economic growth by providing a range of development initiatives in targeted cities. Pilot work under the CDI included cities of Batangas, Iloilo, and Cagayan de Oro; more recently, USAID signed a Memorandum of Understanding with Zamboanga City to be a partner city in the CDI. USAID is set to expand CDI further to other cities of the Philippines.

Mr. Epperson remarked that USAID has a long history of partnership with Palawan and Puerto Princesa. Previous partnerships included the rehabilitation of Puerto Princesa City Water District's water systems through the USAID's Philippines Water Revolving Fund. He shared that currently, USAID is present in the province and the city through the Advancing Philippine Competitiveness or COMPETE Project which is helping the province develop key agriculture sectors, namely cacao, coffee, and seaweed, together with improvements in tourism and infrastructure. The Higher Education and Productivity Project (HEPP) has embarked on a series of workshops and activities leading to an Industry-Academe Governance Council. In Calamianes Island, the USAID through its Ecosystems Improved for Sustainable Fisheries (ECOFISH) project works with provincial and municipal governments to manage coastal and marine resources. USAID's B-LEADERS or Building Low Emission Alternatives to Develop Economic Resilience and Sustainability project is working in Palawan to increase climate change resilience and mitigation by strengthening capacity and increasing investments in clean energy projects.

Mr. Epperson stressed the economic potential of the city and its critical role in Palawan. He explained that Puerto Princesa is the province's epicenter for trade, commerce, education and communication and, is the entry point to other parts of the province. As the capital of Palawan, the city is seen as the driver of the province's growth which will stimulate the development of surrounding municipalities. Since tourism has been identified as one of the pillars of economic development in the country, USAID sees the city's potential as an economic engine not only in the MIMAROPA region but in the entire Philippines as well. He mentioned that while USAID recognizes the strong potential of Puerto Princesa, they also realize that there are areas where they can provide support to the city government and to other stakeholders such as appropriate and necessary investments to ensure inclusive growth.

II. Background and "Inputting" Presentations

USAID's Partnership for Growth and Cities Development Initiative

Mr. John Lawrence Avila, Program Specialist, USAID/Philippines

Mr. John Avila shared the overall objective of PFG which is to assist the Philippines in achieving the goal of moving from a low growth path to a higher, sustained, and more inclusive growth trajectory. Based on economic indicators, such as gross domestic product (GDP) and foreign direct investment (FDI), Mr. Avila noted that the country has been performing poorly compared to member countries of the Association of Southeast Asian Nations (ASEAN). Despite improvements in the Philippines' global rankings in the last three years in the Competitiveness Index produced by the World Economic Forum (WEF) and Doing Business Survey of the World Bank (WB)/International Finance Corporation (IFC), the country still lags behind other neighboring ASEAN countries.

Mr. Avila explained that the Cities Development Initiative (CDI) is a program that localizes the PFG at the city level. One of the objectives of CDI is to support second-tier cities to promote growth outside the National Capital Region. He also explained the importance of an urban-led strategy, while discussing the phenomenon of rising urban population in the Philippines. CDI's three main areas of concern include urban resiliency, disaster risk reduction and preparedness, and low-emission economic development.

Mr. Avila mentioned that the Philippines will not be competitive at the national level if the cities or regions that comprised the country are not competitive themselves. In this regard, he presented frameworks and tools to gauge and monitor competitiveness, e.g. the WEF index and the Cities and Municipalities Competitiveness Index (CMCI), which can be used as a guide for cities in assessing areas for improvement to help in improving their economies. He highlighted the nationally developed CMCI, which considers three factors - economic dynamism, infrastructure, and government efficiency – affecting the competitiveness of local governments. Mr. Avila presented the current state of Puerto Princesa's competitiveness based on the CMCI. Although Puerto Princesa's current overall ranking is low at 89 (out of 136 cities), Puerto Princesa performed well in the following areas: transparency, economic governance, investment promotion and compliance to national directives, and availability of utilities.

Mr. Avila ended his presentation by elaborating on the approach of CDI – a "whole of mission" approach, collaboration and consultation with local partners, examination of key constraints to growth, prioritization of development interventions, assessing technical gaps and identifying areas of support. *See Annex 2: Mr. John Lawrence Avila's presentation: USAID's Partnership for Growth and Cities Development Initiative*

Puerto Princesa City's Development Plans and Priorities

Hon. Lucilo Bayron, Mayor, Puerto Princesa City

Mayor Lucilo Bayron began his presentation by explaining the situation he had to deal with when he assumed office as City Mayor in July 2013, such as overwhelming problems on finances, poor infrastructure, sanitation and waste management, questionable transactions, tourism concerns, and political turmoil.

Mayor Bayron presented the accomplishments of the city, including the following: (1) reduction of Php 663 million budget deficit to Php 420 million through sound financial management; (2) full payment of contractual obligations amounting to Php159M, including electric bills amounting to Php 34 million; (3) partial payment of bank loans (Php 235 million out of a total of Php 2.1 billion); (4) purchase of 625 garbage bins replace heavily damaged bins turned over by the previous administration; (5) road concreting of a total of 11.74 kilometers and maintenance of about 74 kilometers of gravel roads; (6) electrification projects; and (7) expanded coverage of the Student Assistance Program (SAP) to 32,885 students in basic education.

Mayor Bayron also shared recent positive developments in the city, including the expected completion of the international airport by 2017, cruise ship arrivals beginning in November 2014, and upcoming completion of SM City. He also discussed the city's plans and projects, such as the proposed Baywalk Public Market, Mendoza Park renovation, fisherfolk livelihood projects, establishment of an Integrated Fish Port covering 100 hectares, establishment of satellite city halls in four barangay clusters, reclamation of the Quito area, establishment of Sabang Complex including Sabang Breakwater (under Tourism Infrastructure Economic Zone Authority), and improvement of the Iwahig Prison and Penal Farm as a tourist destination. *See Annex 3: Mayor Lucilo Bayron's presentation: Puerto Princesa City's Development Plans and Priorities*

Puerto Princesa City's Role in the Development of Palawan and the MIMAROPA Region

Dr. Nicasio Agustin – INVEST Project

Dr. Nicasio Agustin provided a brief overview of development trends for the Mindoro, Marinduque, Romblon, Palawan (MIMAROPA) region, including its geography and demographics, regional centers, economic productivity, and poverty rates. Dr. Agustin emphasized the role of MIMAROPA in national development as a destination of choice with tourism as a key economic driver together with agricultural development. He also presented the development challenges and potentials of MIMAROPA.

As for Palawan's contributions to and role in the MIMAROPA region, Dr. Agustin explained that approximately, 99% of the region's total exports since the 1990s came from Palawan, consisting mainly of crude petroleum oil, nickel ores and concentrate; copper ores and concentrate; and marine products. Palawan serves as a hub of investments, particularly infrastructure and facilities to support the tourism sector. Puerto Princesa, on the other hand, serves as a major settlements center for MIMAROPA, center for quality basic social services, a tourism destination, and center of production and processing. *See Annex 4: Dr. Nick Agustin's presentation: Puerto Princesa City's Role in the Development of Palawan – MIMAROPA*

III. Reporting of Workshop Discussions

Each breakout group presented their outputs to the plenary. The attached document provides the highlights and outputs of the four (4) groups. *See Annex 6: Workshop Situationer Presentations; Annex 1: Highlights of the Workshop Group Discussions.*

IV. Other USAID Initiatives

Industry-Academe Partnership for Puerto Princesa City

Mr. Robert Burch, Office of Education Chief, USAID/Philippines

Mr. Robert Burch explained that the PFG that was discussed by Mr. Avila in the earlier session identifies human capacity as one of the constraints to broad-based, inclusive economic growth in the Philippines. In general, higher education institutions in the Philippines are not providing the kind of knowledge and skills that students need when they graduate. Moreover, industries and the academe have not been collaborating very closely. Thus, a gap, between the skills being produced by graduate students and those required by industry for their workforce, exists in the city.

To address this gap, USAID's Office of Education, in collaboration with the Commission on Higher Education (CHED), has developed a portfolio of education activities in the country to address these capacity development constraints, consisting of projects implemented in partnership with the Philippine Development Foundation and Philippine Business for Education.

In particular, USAID has been working in Puerto Princesa for the past eight months through its two projects: (1) the Higher Education Productivity Project (HEPP) which aims to address skills gaps and mismatch through academe-industry linkages; and (2) the Science, Technology, Research and Innovation for Development (STRIDE) project which focuses on improving science, technology, research and innovations in primarily Philippine universities. The HEPP project launched the Palawan Industry-Academe Summit in April 2014 and will be presenting the Job Training Guidelines that was developed between the academe and the industry for Puerto Princesa in December 2014. For STRIDE, initial activities were undertaken leading to the development of career centers in Palawan State University, Western Philippines University and Holy Trinity University. Recently, an innovation workshop was held that brought together government, industry and academe to look at opportunities for innovations in Puerto Princesa and Palawan. Lastly, Mr. Burch encouraged the participants to visit the STRIDE website (www.stride.org.ph) to get information on how to access scholarships and research grants that are currently being provided by the project.

V. Closing Session

Synthesis, Next Steps, Closing Message

Mr. John Lawrence Avila, Program Specialist, USAID/Philippines

Before delivering the closing message, Mr. Avila encouraged the workshop participants to apply for grants through the USAID Philippine American Fund, a small grants facility managed by the Gerry Roxas Foundation that is open to civil society, the private sector groups who are interested to carry out specific activities on biodiversity, economic inclusion, poverty reduction, and other areas. He emphasized CDI's purpose of inclusive growth and remarked on the importance of indigenous peoples, who are major stakeholders in the Puerto Princesa and Palawan community. Aside from ensuring adequate health and education services, business enterprises and the government need to be particularly sensitive to these communities.

To close the workshop, Mr. Avila emphasized that the needs assessment exercise is an initial step; further work will be undertaken to pursue the ideas put forward in the activity. He explained the importance of moving to specific, measurable results with corresponding timelines, and prioritizing interventions, given current resources, constraints and realities in the city. He requested patience and continued cooperation from the stakeholders as USAID will be conducting more follow-up activities in the succeeding months.

VI. Annexes

Annex 1: Highlights of the Workshop Group Discussions

Annex 2: Mr. John Lawrence Avila's presentation: USAID's Partnership for Growth and

Cities Development Initiative

- Annex 3: Mayor Lucilo Bayron's presentation: Puerto Princesa City's Development Plans and Priorities
- Annex 4: Dr. Nick Agustin's presentation: Puerto Princesa City's Role in the Development of Palawan – MIMAROPA
- Annex 5: Workshop Rationale and Mechanics
- Annex 6: Workshop Situationer Presentations
- 6.1.0 Group 1: Ms. Aurea Pallaya's Situationer
 - 6.2.0 Group 2: Ms. Ofelia Templo's Introductory Presentation
 - 6.2.1 Group 2: Dir. Rosenda Fortunado Situationer
 - 6.2.2 Group 2: Ms. Elizabeth Alzaga's Situationer
 - 6.3.0 Group 3: Ms. Tutu Almonte's Situationer
 - 6.4.0 Group 4: Mr. Jescir Cresencio's Situationer
- Annex 7: Group Workshop Outputs
- 7.1 Group 1: Enabling Environment for Investment: Cost of Doing Business
 - 7.2 Group 2: Accelerating Development of the City's Production Sectors
 - 7.3 Group 3: Identifying Issues on Energy, Environment and Climate Change
 - 7.4 Group 4: Addressing Issues on Health

Annexes 2-7 can be downloaded from:

https://drive.google.com/folderview?id=0B842iSOZ0W7KeUM1cmNKM1JhM3M&usp=drive_web

Audio recordings of the workshop can be downloaded from:

https://drive.google.com/folderview?id=0B842iSOZ0W7KY01MTFRCVE42bTQ&usp=drive_web

Annex: Highlights of Workshop Group Discussions

Group 1: ENABLING ENVIRONMENT FOR INVESTMENT: COST OF DOING BUSINESS

A. Workshop Participants

Dir. Rey S. Maranan	City DILG
Mr. Eric Yayen	Palawan Chamber of Commerce and Industry
Ms. Kathleen Cruz,	USAID Philippines
Ms. Milagros C. Santos,	Barangay Kagawad, Barangay Maunlad
Ms. Rowena B. Molina,	City Administrator's Office
Ms. Charlene U. Hilot,	Palawan NGO Network, Inc.
Ms. Maria Theresa Vicente-Rodriguez,	City Information Office
Atty. Elena M. Vergara-Rodriguez,	City Administrator's Office

Mr. Carlos G. Abogado, Jr.,	City Administrator's Office
Ms. Aileen Cynthia M. Amurao,	City Tourism Office
Ms. Aurea G. Pallaya,	Permits/Licensing
Mr. Bienvenido Marcial, Jr.,	Permits/Licensing

Facilitators: Jay de Quiros
 Nick Agustin
 Documentor: Rowena Molina

B. Highlights of Workshop Group Discussions

Ms. Aurea Pallaya from the Permits and Licensing Officer of the City presented a brief description of the business permits and licensing system of the city. She first presented the steps/procedures in getting the business permit, including the steps involved, location, documentary requirements, fees to be paid, and expected processing times for each step. The basic requirements for getting a business permit include the following: (1) community tax certificate; (2) barangay Clearance; (3) locational Clearance; (4) business tax clearance; (5) land tax clearance; (6) sanitary permit; (7) Fire Safety Inspection Certificate; (8) DTI Registration; (9) Pag-ibig Fund/HDMF Certification; (10) PhilHealth Certification; and (11) SSS Clearance. To make the process more client-friendly, the Permits and Licensing Division has developed a summary flowchart that describes the application procedures and corresponding offices to transact with in processing the business permit.

Mr. Agustin explained that the main objective of the discussion is to focus on the cost of doing business and not on business permits and licensing system alone. He discussed the 10 indicators of cost of doing business based on World Bank/ IFC Doing Business survey, namely: starting a business, dealing with construction permit, getting electricity, registering properties, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing controls and resolving insolvency.

C. Highlights of the Workshop Group Discussions

On Business Registration

- The city's permits and licensing system requires a number of clearances and requirements to be secured from national and local government, as well as barangay levels. In particular, a business in the city still needs to secure SEP Clearance from the Palawan Council for Sustainable Development (PCSD) and clearance from the National Commission for Indigenous Peoples (NCIP) before the issuance of a business permit.
- It was proposed that there should be a venue or center for an all year-round Business One- Stop Shop (BOSS) to make it easier for the client to process his/her business permit.
- It was also suggested that concerned agencies allow applicants to secure other clearances before and after the renewal period so that the applicant may get the business permit in more quickly (i.e. one day at most). The signing of a Memorandum of Agreement between the city government and concerned government agencies was suggested to address to enable the processing of permits outside the renewal period.

- There should be a comprehensive review of the permitting processes of the city government as basis for streamlining the requirements, processing time and signatories required for business registration applications.
- Vacant positions in the Permits and Licensing Division should be filled up immediately to address the problem on lack of manpower.
- The computer system needs to be updated; personnel operating the system need to be adequately trained. Such a new system would require new hardware facilities/equipment.
- The major concern or advocacy of the business sector is the compulsory membership of all business establishments, regardless of size, in the chamber as a requirement for securing a business permit. This is to enable a comprehensive database that will organize and further strengthen the city and province's business sector, which in turn will enable the chamber to help the city better through higher compliance with registration and tax payments, and collaboration on projects.
- There are limited numbers of accredited accounting firms in the city. These firms' services include not only bookkeeping and auditing but also facilitating the submission of the business permits of their clients, which are processed in the city hall in bulk. These firms usually encounter delays in preparing audited financial statements, thus affecting the processing time for securing business permits.

On Power Supply

- Power supply in the city is unreliable. The issue is not supply but poorly maintained distribution systems of Palawan Electric Cooperative (PALECO), the sole power distributor in the city. Even potential alternative energy, such as renewable energy and coal technology, still need distribution mechanisms. It was suggested that the Palawan Chamber of Commerce and Industry and the government's Joint Energy Development Advisory Group (JEDAG) should support PALECO in securing loans for upgrading of its systems.

On Multiple Taxes, Charges and Fees

- The taxes, charges and fees imposed by the LGUs should be rationalized by the Local Finance Committee and the *Sangguniang Panlungsod*.

On Investor Services

- An investor should know where to go and what to do in starting a business.
- There is a need to create a separate office for investment promotions, with adequate support staff headed by a dedicated Local Economic and Investment Promotion Officer (LEIPO) and a separate budget.
- There is also a need to strengthen the Local Investment Board.

On High Cost of Construction Materials

- The high cost of construction materials is brought about by (1) the number of documentary requirements and fees imposed on concerned companies; and (2) limited local supply of gravel and sand caused by the moratorium on quarrying. The latter forces contractors to buy gravel and sand from other municipalities and provinces.

On Credit Facilities

- Credit is largely available but only a few are able to avail of loans due to the large number of requirements by banks. It was proposed that the Palawan Chamber of Commerce and Industry explore possible facilitative mechanisms with Banker's Association of the Philippines.

On Occupancy Permits

- There is a need for agencies to allow the clients to secure requirements after issuance of occupancy permit to enable faster processing time and issuance. The Office of the City Building Official under the Office of the City Engineering should be responsible for looking into this concern.

On Discrepancy of Zonal Valuation

- There is discrepancy between the valuation of the Bureau of Internal Revenue, fair market value and the zonal valuation of the city government. Depending on the purpose of the usage of property, there will always be different valuation of the subject property. This matter should be clarified by the Palawan Chamber of Commerce and Industry and the City Assessor's Office.

D. Summary of Workshop Outputs

Development Challenges	Proposed Actions	Responsible Persons/ Groups
<p>1. Voluminous clearances & requirements</p> <ul style="list-style-type: none"> Different Offices/Agencies-Requirements Additional clearances (SEP Clearance, NCIP) <p>Leads to long processing time than expected/desired in securing permits</p>	<p>Identify a venue for an all-year round business one-stop shop (BOSS)</p> <ul style="list-style-type: none"> Agencies to allow applicants to secure other clearances before & after renewal period Review the processes to streamline (JMC Standards) Signing of a MOA between city govt. & concerned govt. agencies 	Office of the Mayor
2. Unreliable power supply (old and poor condition of existing distribution system)	Support PALECO in securing loans for upgrading facilities	Palawan Chamber of Commerce & Industry Joint Energy Development Advisory Group
<p>3. Lack of manpower in permitting & licensing</p> <ul style="list-style-type: none"> affects speed affects enforcement 	Expedite filling-up of vacant plantilla position	Office of the Mayor to issue the instruction to the Human Resources (HR)
<p>4. Inadequate competency in operating the City Hall Systems</p> <ul style="list-style-type: none"> Tracking IT Equipment 	<ul style="list-style-type: none"> Training of concerned offices and staff Provision of new hardware facilities 	HR, MIS, Procurement Office
5. Multiple taxes, charges & fees	Rationalize fees imposed by the city	Local finance Committee
6. Lack of information for Investors (e.g. incentives, ordinances)	<ul style="list-style-type: none"> Establish a City Investment Promotion Office headed by LEIPO with support staff and equipment Strengthen the Local Investment Board 	Sangguniang Panglungsod, Palawan Chamber of Commerce and Industry
7. High cost of construction materials (gravel & sand) due to the high cost of securing permits	<ul style="list-style-type: none"> Review requirements & regulatory fees 	Provincial Government of Palawan
8. Credit facilities not accessible to small and medium enterprises (SMEs)	Explore partnership with Bankers Association of the Philippines	Palawan Chamber of Commerce and Industry; Palawan Bankers Association
9. Weak permitting support services, esp. accounting/audit services (limited supply of accredited accounting firms to review statements of establishments; slow review)		

10. Insufficient time to comply w/ the requirements for securing occupancy permits	Agencies to allow applicants to secure other clearances before & after issuance of occupancy permit	Office of the Building Official, Engineering Office
11. Discrepancy of zonal valuation/ enforcement of agencies (e.g. BIR vs. LGU)	Clarify with BIR	Palawan Chamber of Commerce and Industry; City Assessor's Office

Group 2: ACCELERATING DEVELOPMENT OF THE CITY'S PRODUCTION SECTORS

A. Workshop Participants

Rod Saucelo	Puerto Princesa City Government
Jewel Manata	DTI-Palawan
Rosenda Fortunado	DTI-Palawan
Alma Rocimala	DTI-Palawan
Melissa Macasaet	City Agriculture Office
George Vasquez	City Planning and Development Office
MG Alcala	USAID-COMPETE
Veronica Domingo	USAID-COMPETE
Angie Mendoza	Palawan Tourism Council
Debbie Tan	Palawan Tourism Council
John Avila	USAID
Indira Santiago	City Veterinary Office
Tessie Dumarán	DA-PRES
Elizabeth Alzaga	City Planning and Development Office
Elizabeth Maclang	Puerto Princesa City Government
Ricardo Lagrada	City Engineering Office
Julio Sergio	City Engineering Office
Facilitator:	Ofie Templo
Documentor:	Jaztin Robert Altea

B. Situationer: Highlights of the Presentation

1. Presentation by DTI on Industry Prospects

Director Rosenda Fortunado of the Department of Trade and Industry presented the production sectors and potential industries in Palawan. The major production sectors in the city include agriculture, manufacturing, tourism and services. On the agriculture sector, palay and corn crops were identified as the major agriculture produce of the city, followed by fish and seaweeds which have very promising potential in the market.

Director Fortunado also presented data on firms registered with the DTI. The services sector comprises 65% of total establishments in the city while only 4% belong to the manufacturing sector. She noted that the firms belonging to the agriculture sector do not usually register their businesses while those in the manufacturing sector, while those registered with DTI sometimes do not get business permits to avoid taxation. The major exports from the city include the Malampaya condensate, which contributes with bulk of export revenues, followed by dried products.

On the tourism sector, Dir. Fortunado described the value chain study of the tourism sector for Puerto Princesa City and Province of Palawan. Accordingly, the value chain is composed of several segments which include marketing, transportation, food and beverage, destinations and accommodations. Among the segments, she emphasized

that the food and beverage segment plays an important role in the entire tourism industry. Food value adding in agriculture remained a challenge now that the ASEAN Integration is underway. The furniture industry has good potentials coming from the demand of hotels and tourism establishments for furniture.

On the services sector, service providers (i.e. repair shops and the likes) are scattered everywhere in the city. It was suggested that there must be a proper venue or a place where service providers can be located.

2. Presentation by the City Government on the Infrastructure Situation of the City

Ms. Elizabeth D. Alzaga from the Office of the City Planning and Development Coordinator initially presented a profile of Puerto Princesa City, followed by a discussion on the power supply, telecommunication facilities, road network, transportation modes, waste management. She also mentioned the city's spatial strategy and future plans on infrastructure, utilities and transport.

The National Power Corporation (NAPOCOR) is the major source of power generation in the city. There is the perception that there is surplus in power generation, but the recurring distribution problem has resulted to blackout and brownouts. There are however still a number of barangays in the west coast that have no access to electricity or are unserved by a power distributor.

Meanwhile, water supply runs short especially during summer with a deficit estimated at four million cubic meters. The Puerto Princesa City Water District is planning to develop the Montible River as another source for water supply.

On telecommunication facilities, there are three main providers in Puerto Princesa and has sufficient coverage for the entire city.

In the area of waste management, Puerto Princesa has a sanitary landfill. Septic vaults, a monitoring canal in the Public Market cleanses wastewater from the market area before draining to Puerto Princesa Bay. No treatment process is introduced before the sewage is finally thrown out to the sea. Hence, the city government identified the need to prepare a master plan for a sewerage system that serves both north and south sectors of the urban area. An Urban Storm Drainage Plan Project is ongoing, and implementation will start in year 2015 with area coverage of 3000 hectares.

On the road network, Puerto Princesa has very low road density due to its mountainous terrain in the city's northern and southern parts. Only two barangays are not traversed by any road. In terms of connectivity in the urban area, the national highway carries the heaviest vehicular traffic daily. An alternative national highway that will absorb some of its arterial functions is needed, according to the city government.

Modes of transportation include daily flights of commercial airlines from Manila and Cebu, and weekly voyage of passenger and cargo ships from Manila. Tricycles, multicabs and jeepneys are the most convenient way around the city. Roads are dominated by tricycles followed by multicabs and jeepneys. The government has a long-term development plan on urban transport system which includes the upgrading and expansion of the existing airport facility and the development of an inter-modal urban transport system for the city which is divided into two transport sub systems - land-based transport subsystem and water-borne transport subsystem.

A. Highlights of Workshop Group Discussions

After the two presentations, the facilitator asked all the participants to identify major issues that the City of Puerto Princesa should address given the current realities

presented. Discussion centered on four major issues (ranked according to priority) – improving institutional support/governance, raising production, improving infrastructure facilities and addressing transportation issues.

Basically, there was consensus that tourism is the main driver of economic growth in the city, though agriculture and the fisheries sector have very good economic potentials. The city government plays a key role in catalyzing sector development through harnessing support to improve the linkages between the agriculture and tourism sectors and closer coordination of programs between the provincial and city governments.

B. Summary of Workshop Outputs

Development Challenges	Proposed Actions	Responsible Persons/ Groups
<i>A. Institutional Support/Governance</i>		
1. Weak coordination between the city government and regional line agencies (RLAs) <ul style="list-style-type: none"> The location of regional offices of national government agencies (NGAs) in Calapan (Mindoro) makes it difficult for businesses to secure the necessary clearances at a most expedient time. 	<ul style="list-style-type: none"> Strengthen and institutionalize the different city councils where RLA representatives serve as members City government to initiate meetings with NGAs/ DTI. Propose to NGAs to setting-up of regional/satellite offices in Puerto Princesa or the Province of Palawan for better coordination or to consider transferring the authority to grant permits and licenses to the city government 	<ul style="list-style-type: none"> City Planning and Development Coordinator (CPDC) Business Permits and Licensing Officer (BPLO) City Government, DTI, DA, other NGAs
2. Adequate regulations but implementation is weak	<ul style="list-style-type: none"> Strict and proper implementation of policies, especially those affecting the tourism sector Organize information, education and communication (IEC) campaigns on city policies and regulations Implement closure of firms violating business permit regulations Reduce bureaucratic process 	<ul style="list-style-type: none"> Mayor/City Government
3. Lack of government support for investment planning and promotion (e.g. inactive investment board)	<ul style="list-style-type: none"> Institutionalize the Local Economic and Investment Promotions Office (LEIPO) and strengthen its capacity to assist the business sector and the small and medium scale enterprises in the city Satellite City Offices 	<ul style="list-style-type: none"> Mayor LEIPO
4. Inadequate data/information that could indicate the level of	<ul style="list-style-type: none"> Upgrade the existing database and information 	<ul style="list-style-type: none"> CPDO BPLO

Development Challenges	Proposed Actions	Responsible Persons/ Groups
competitiveness of the city <ul style="list-style-type: none"> city government does not collect basic socio-economic information on the city the private sector withholds data from the government 	systems of the city government <ul style="list-style-type: none"> Activate the Local Development Council and the sector committees Formulate incentives to motivate the business sector to provide socio-economic data on the city 	<ul style="list-style-type: none"> Local business groups
5. Weak sector linkages to support the tourism sector	<ul style="list-style-type: none"> Pro-actively link industry groups to the tourism sector (e.g. agriculture, manufacturing) with the city government acting as catalyst Organize more trade fairs 	<ul style="list-style-type: none"> City Tourism Office City Agriculture Office Local Tourism Associations Local Business Chambers
6. The city to conduct more meaning and effective stakeholder consultations	<ul style="list-style-type: none"> Communicate effectively to stakeholders the city government actions on private sector suggestions raised during the consultations organized by city government Tap different media forms (including social media) to disseminate information to the public Private sector to have a unified position on issues 	<ul style="list-style-type: none"> Public Information Office of the city government Local business chambers/ sector associations
7. Need to strengthen urban development planning of the city government	<ul style="list-style-type: none"> Conduct information drive to disseminate existing documents prepared by the city government (e.g. Comprehensive Land Use Plan (CLUP), the Executive Legislative Agenda (ELA) etc. Organize focused group discussions to ascertain and address urban issues 	<ul style="list-style-type: none"> City Planning and Development Office City Public Information Office The City Local Government Officer (from DILG)
<i>B. Production</i>		
	<ul style="list-style-type: none"> 	
1. Inadequate production of the following: <ul style="list-style-type: none"> Agricultural products 	<ul style="list-style-type: none"> Redesign the City's Irrigation Plan develop irrigation facilities Address the credit needs of the sector and identify sources of financing for farmers Explore rainwater harvester systems Set-up a trading center in the city 	<ul style="list-style-type: none"> Department of Agriculture (regional office) Office of Agriculture and Veterinary Services Local Agriculture Associations and business groups Department of Science and Technology

Development Challenges	Proposed Actions	Responsible Persons/ Groups
	<ul style="list-style-type: none"> • Encourage investments in Feed Mill facilities • Encourage more private sector investments in agriculture production and facilities • Introduce latest technology in agriculture production • Accelerate the operation of the Regional trading center of the Department of Agriculture 	
<ul style="list-style-type: none"> • Livestock 	<ul style="list-style-type: none"> • Set-up a trading center for livestock • Setting up of cooperative groups for farmers • Assist agrarian reforms communities (ARCs) • Conduct capability building for farmers 	<ul style="list-style-type: none"> • Department of Agriculture (regional office) • Office of Agriculture and Veterinary Services • Cooperative Development Authority
<ul style="list-style-type: none"> • Marine Products 	<ul style="list-style-type: none"> • Plan and implement the marine value chain cluster program • Implement Fish Port Plan including the setting up of integrated food storage processes in the Port 	<ul style="list-style-type: none"> • Department of Trade and Industry (regional office) • City Planning and Development Office • Office of Agriculture and Veterinary Services
<ul style="list-style-type: none"> • Tourism Products (i.e. souvenir, tours, destinations, activities) 	<ul style="list-style-type: none"> • Strengthen the City Tourism Office to develop tourism circuits • Hasten completion of the Tourism Master Plan • Coordinate with DTI on the value chain for tourism • Prepare an inventory of tourism-related products being produced in the city • Improve the packaging of tours • Embark on an aggressive promotional efforts for Puerto Princesa • Conduct a study on the sustainability of Community-Based Tourism Sites (city government initiative), including measures to involve the private sector in the project and addressing accounting problems (e.g. provision of receipts) by communities 	<ul style="list-style-type: none"> • Department of Tourism (regional office) • USAID COMPETE • Local tourism groups • City Tourism Office • Department of Trade and Industry (regional office)

Development Challenges	Proposed Actions	Responsible Persons/ Groups
	<ul style="list-style-type: none"> Clarify roles on private sector and City government in tourism promotion 	
2. Address mismatched courses and industry needs	<ul style="list-style-type: none"> Strengthen industry-academe linkages Encourage firms to conduct skills training for graduates 	<ul style="list-style-type: none"> USAID HEPP Universities in the city Local Business chambers and groups TESDA
<i>Infrastructure</i>		
1. Address basic utilities		
<ul style="list-style-type: none"> Serious distribution problem with PALECO 	<ul style="list-style-type: none"> The citizenry to be more active involved in the election of PALECO Board members and its activities 	JEDAG
<ul style="list-style-type: none"> Develop renewable sources of energy 	<ul style="list-style-type: none"> Encourage private sector investments in renewable sources of energy by providing incentives possibly through the Local Investment Incentives Code Coordinate with the Department of Energy and Energy Regulatory Commission (ERC) for national level incentives 	<ul style="list-style-type: none"> Local Business Chambers Local Economic and Investment Promotions Office (city hall) Department of Energy (regional office)
<ul style="list-style-type: none"> Sewerage treatment; waste water pollution 	<ul style="list-style-type: none"> Improve the city's sewerage management Encourage the water district to tap the National Sewerage and Management Program (NSSMP) of the Department of Public Works and Highways (DPWH) for possible funding support and trainings Set-up a treatment plant for the city Issue appropriate ordinances 	<ul style="list-style-type: none"> City Water District DPWH
2. Transportation		
<ul style="list-style-type: none"> Promote eco-friendly mass transport 	<ul style="list-style-type: none"> Promote the use of liquefied petroleum gas (LPG)-fuelled vehicles and the retrofitting of tricycles Encourage investors to invest in taxi services within the city Introduce e-tricycles 	<ul style="list-style-type: none"> City Planning and Development Office
<ul style="list-style-type: none"> Improve transport facilities that would facilitate the linking of farm produce to markets 	<ul style="list-style-type: none"> Entice mass transport companies to invest Identification of sources of produce 	<ul style="list-style-type: none"> City Government National Government Agencies

Development Challenges	Proposed Actions	Responsible Persons/ Groups
	<ul style="list-style-type: none"> Follow-up funding support from NGAs 	
<ul style="list-style-type: none"> Solve the traffic problem of the city 	<ul style="list-style-type: none"> Road widening Create more diversion roads and secondary roads Tap financing for road widening 	<ul style="list-style-type: none"> DPWH (regional office) City Engineering Office USAID COMPETE

Group 3: IDENTIFYING ISSUES ON ENERGY, ENVIRONMENT AND CLIMATE CHANGE

Time started: 11:26 AM

Time ended: 2:30 PM

A. Workshop Participants

Alvaro Fabon	DILG MIMAROPA
Roy Jomilla	CMO
Adelwisa Sandalo	OIDC
Bart Duff	Palawan Chamber of Commerce and Industry
Grizelda Mayo-Anda	ELAC
Maila Villaos	PCSD
Ryan Fuentes	PCSD
Jocelyn Dasco	PALECO
RJ Dela Calzada	WWF
Cristina Flores	Lead Documentor
Tutu B. Almonte	City ENRO/PPCity Government
Facilitator:	Marian Cruz Navata, USAID- OEECC
Documentor:	Zorina C. Arellano, Office of the City ENRO, PPC

B. Situationer: Highlights of the Presentation

The Acting City ENRO of Puerto Princesa City, Ms. Tutu B. Almonte presented the existing conditions, issues and concerns and the existing and proposed projects of the City Government on the following: terrestrial, coastal and marine environment; land use constraints; power and energy; water and sanitation; and roads.

1. Terrestrial, Coastal and marine environment

Ms. Almonte presented the existing condition of Puerto Princesa City's environment/physical resources. The City has a total land area of 219,339.40 hectares of which, 23% or 50,301.71 hectares are alienable and disposable, 8.3% (18,210.98 has.) classified forest and 68.76% are unclassified public forest. In terms of coastal zone and marine resources, the City has a total coastline of 416 km. on both sides of the island; total surface area of municipal water is 327,586 has. which is 67% larger than its total land area; the City has 3 major embayment (Honda Bay, Puerto Princesa Bay and Ulugan Bay); total mangrove forest cover is 6,499.05 hectares based on 2004Satellite data. In addition, the coral reefs are found in the eastern seaboard of Bgy. Kamuning and large portion of Honda Bay while dense seagrass meadows are along Puerto Princesa Bay and certain portion of Honda Bay.

Ms. Almonte identified some of the issues related to the terrestrial, coastal and marine condition of the City as follows: inordinately large area of unclassified public forest; large chunk of forest land under ancestral domain; geographical configuration of the City; and extensive coastal and marine resources. The programs and projects that are being implemented by the City

Government to protect its terrestrial, coastal and marine resources were also presented by Ms. Almonte.

2. Land Use Constraints

Ms. Almonte presented the pattern of land use change in the urban area of the City from 1998 to 2009. There is a change in the land use as shown by the decrease in areas of some land uses such as agricultural and an increase in some such as forest and residential. Accordingly, the decrease is a result of the conversion of agricultural use to residential or other uses, while the increase in the forest area is due to tree planting activities that are conducted by the government and other concerned groups. The natural hazards that might be faced by the City due to its geographic location include: flooding, storm surge, landslides and urban and forest fires.

3. Power and Energy

It was presented that in 2009, 73% of all households availed of power supply provided by PALECO and 58 out of 66 barangays are already served by the electric company. Those barangays that are not served by PALECO used solar source of energy and generator sets. There are plans to tap alternative sources of energy to address the increasing demand for electricity such as solar, wind, wet cell battery or biogas.

4. Water and Sanitation

Ms. Almonte presented that 35 urban barangays and 2 rural barangays (56%) enjoyed level III for their domestic water supply served by the Puerto Princesa City Water District. Fourteen rural barangays (21%) are supplied by level II systems and the rest of the rural barangays particularly those in the far flung areas depend on level I water system for their domestic water supply. Challenge for the City is how to upgrade the water system level of those barangays under level I and II.

In terms of waste management facilities, Ms. Almonte presented that septic vaults are individually installed in households for their wastewater management. Waste water treatment facility is installed to treat the wastewater from old public market area before draining it to Puerto Princesa Bay. In many parts of the urban area open canals and creeks serve as drainage/sewage outfall. The need for the preparation of a master plan for sewerage system was recommended. The solid waste of the City is being managed through the installation of a modern sanitary landfill.

5. Roads

Ms. Almonte presented that the City has a total road inventory of 803.96 km., of which 193.65 km are national road, 261.21 km City road and 349.10 km barangay roads. It was emphasized that 2 barangays are not traversed by any road. Issues with regards to the City's road network and circulation include: a) long way from attaining the national standard; b) there is no complete connectivity of every part of the City; c) there is an apparent difference between the Old Poblacion and the northern sector of the urban area; and d) restricted circulation between the north sector and the Old Poblacion.

C. Highlights of Workshop Group Discussion

After the presentation, the group identified and discussed the challenges/issues, possible courses of action, and persons/groups responsible. The results are summarized in Table 1. Among the comments, issues and concerns raised are as follows:

1. Environment/Physical Resources (Terrestrial/Coastal and Marine; Land Use Constraint)

It was commented that the attributes of the increase in forest cover are vague. The issue on ancestral domain was also raised. Accordingly, ancestral domain covers both lands and seas. It was also raised that ancestral domain must be viewed, not only on its environmental spectrum but more on social spectrum. IPs can be given a chance to benefit from utilization of Non-timber Forest Products (NTFP). The program gave IPs access to these resources. It was emphasized that IPRA law does not free the IPs from paying taxes. As long as their utilization/production level is for domestic use they will be tax-free. Once their level increased to commercial level, they will be subjected to tax.

One issue that was raised is the rampant kaingin farming in the northern part of PPC. It was commented that it is part of their tradition and it is their way of life.

Other issues raised include: a) illegal settlers along mangrove areas; b) tourism in coastal areas; and c) watershed and river management (water quality management areas)

Ms. Almonte informed the group that the City Government will formulate its Forest Land Use Plan with DENR in 2015.

Puerto Princesa has an updated CLUP, CDP, local CCA plan and local DRRM plan.

2. Utilities, Infrastructure and Transport (Power and Energy, Water and Sanitation, Roads)

The group considered a reliable and affordable source of energy as vehicle to improve tourism industry, it is also necessary to attract investors. The need for other sources of power, particularly a renewable source was also raised. According to Ms. Dasco of PALECO, service contract was given to operate hydropower plan.

In terms of water and sanitation, the need for water supply distribution and utilization was raised. It was added that water is an important constraint in development

Other concerns on waste and sanitation were raised as follows: lack of sewerage and sewage system was also raised; solid waste management (reduction, re-use, recycling); water quality monitoring of beaches and coliform level in Puerto Bay

Traffic congestion is experienced now in the City. One of the causes of the traffic is the increasing number of vehicles in the City. The need for urban/transport planning studies was recommended.

D. Summary of Workshop Outputs

Issues/Challenges	Proposed Actions	Responsible persons/groups
1. Weak Sustainable Development mindset/perspective	<ul style="list-style-type: none">Integrated/holistic development approach (science-based planning, policy making and decision making)Orientation on environmental or natural resource accounting and payment for ecosystems services	City Development Council (City Planning, City ENRO, academe)
2. Need to integrate all development plans (FLUP, CC Action plans, DRRM plan, transport management plans, population management plan, urban planning,	<ul style="list-style-type: none">Convene ECAN Board, and LDCAllocate funds for participatory planning activitiesSecure technical assistance (academe, specialists, PPP)Capacity building on planning, vulnerability assessment	LGU, all major stakeholders

Issues/Challenges	Proposed Actions	Responsible persons/groups
ICRMP, Tourism plan)	<ul style="list-style-type: none"> Capacity building on disaster preparedness and resiliency (City and barangay level) 	
3. Lack of sewerage and sewage system	<ul style="list-style-type: none"> Formulate sewerage and sewage system master plan Allocate funds for formulation of plan and implementation 	LGU
4. Weak implementation of the solid waste management plan	<ul style="list-style-type: none"> Revisit the Solid Waste Management Plan Allocate funds to implement the plan Enabling local legislation Encourage support to projects such as “zero-carbon resorts” 	City Solid Waste Mgt. Board. All Barangays Private (hotels, Restaurants and other business establishments) Sangguniang Panlungsod
5. Unreliable power distribution system; absence of renewable and affordable energy	<ul style="list-style-type: none"> Implementation of energy-efficient projects Conduct energy audit Incentivize investments on alternative sources of power 	LGU PALECO Private (e.g., hotels restaurants and other business establishments) Sangguniang Panlungsod
6. Poor water resource management	<ul style="list-style-type: none"> Enhance information drive on water resource management Policy formulation for water resource management Promote rain water collection system Capacity building on water management 	LGU, PPCWD, DENR

Group 4: ADDRESSING ISSUES ON HEALTH

Pre-Assessment Workshop on Health Challenges

November 24, 2014 (Monday)

Time start: 2:15PM

Time end: 3:00 PM

A. Workshop Participants

Dr. Ricardo Panganiban , City Health Officer , PP City Health Office (CHO)

Analiza Herrera , Nutritionist/Dietician , PP CHO

Dr. Mary Anne Navarro , Provincial Health Officer I , PHO Palawan

Mr. Jessir Crisencio , Associate , Zuellig Family Foundation

Mr. Wilfred Hernandez , Chief Social Insurance Officer , Philhealth

Dr. Peter Curameng , DMO , DOHRO 4B

Dr. Melvin Orbe , Medical Director , Palawan Adventist Hospital

Dr. Paul Castillo , Chief of Clinics , MMG Cooperative Hospitals

Dr. Yolanda Oliveros , Development Assistance Specialist , USAID-OH

Ms. Helen Hipolito , Project Development Specialist , USAID-OH

Dr. Alejandro Herrin, Chief of Party (COP) , Luzon Health Project , USAID

Dr. Ellen Bautista , MNCHN/FP Advisor , Luzon Health Project , USAID

Dr. Aleli Kraft , Capacity Building & Knowledge Management Manager , HPDP2 Project, USAID

Ms. Jorette Dycoco , Area Facilitator , IMPACT Project, USAID
Ms. Noemi Bautista , Senior Policy and Health Systems Advisor , Luzon Health Project , USAID
Mr. Al Fabon , Regional Local Government Operations Officer V , DILG

Documenter: Analiza Rago-Herrera

B. Situationer: Highlights of the Presentation

Dr. Alex Herrin presented the Partnership for Growth and Cities Development Initiative. The highlights of his presentation are:

1. Partnership for Growth (PFG) - PFG represents a partnership between the Philippines and the United States to promote broad-based, inclusive and resilient growth.
2. Cities Development Initiative (CDI) – CDI, as part of the PFG seeks to assist the Philippines promote higher, sustained, more inclusive and resilient growth by providing a range of development initiatives in targeted cities.
3. Health and Inclusive Growth - How can people's health benefit from and contribute to sustained and inclusive growth?
 - Directly through increased incomes from productive employment-greater access to health and other services
 - Indirectly through improved non-health sector outcomes in education, infrastructure, etc... better information and access to health
 - But higher incomes can lead to lifestyle changes associated with unhealthy behaviour; while unregulated production and transport of goods can contribute to unhealthy environment (e.g. pollution).
4. Contribute to inclusive growth:
 - Directly through greater productivity arising from better health now and in the future (e.g. TB in workforce; health and nutrition in early childhood)
 - Indirectly through increased productivity of investments in non-health sectors, e.g., education agriculture and industry
5. Investing in health to promote inclusive growth in cities: the role of health and non-health sector

Another presentation was made by Dr. Ricardo B. Panganiban. He provided the city's health situationer by presenting the result of the LGU scorecard result of the city for 2013 evaluation with the following findings:

- Percentage of enrolled members sponsored by the LGU in PHIC-(green) 54.76 - 14.94 – 50
- Percentage of RHU's/health centers with signed performance commitment contract (PCC) on primary care benefits – (yellow) 50.00- 37.54- 100
- Percentage of RHU's/ health centers accredited by phi health for maternal care package-(green) 100.00 – 34.93- 100
- Posting of CY 2012 annual budget- (red) 5- 96.12- 100
- Posting of CY 2011 statement of receipts & expenditures- (red) 5- 91.69- 100
- Percentage of provincial / city (HUC's/ICC's) budget allocated for health services- (red) 7.40- 95.58- 100
- Percentage of MOOE allocated for health services- (green) 53.10- 33.94- 45
- Percentage of provincial health expenditures(red) 84.80- 85.12- 100
- RHU /Health center physician to population ratio- (red) 40970- 35497- 20000
- RHU/Health center midwife to population ratio-(red) 6644- 6591- 5000
- RHU/Health center nurse to population ratio-(green) 18909- 22947- 20000
- Percentage coverage of target population in endemic area(s) with mass treatment for schistosomiasis-(green) 94.80- 71.72- 85
- Annual parasite incidence for malaria-(red) 3.46- 0.69- 0.8
- TB case detection rate (all forms of TB)-(green) 93.40- 82.78- 90
- TB cure rate- (red) 70.90- 82.53- 90
- Percentage of fully immunized child-(yellow) 79.50- 76.91- 95

- Percentage of infants (0-6months old) exclusively breastfeed- (red) 21.80- 61.81- 70
- Prevalence of underweight and severely underweight 0-59 months old children- (red) 8.02- 7.15- 5
- Percentage of facility-based deliveries- (yellow) 79.40- 73.87- 90
- Percentage of deliveries attended by skilled health professionals- (yellow) 83.60- 83.15- 90
- Contraceptive prevalence rate for modern family planning methods-(yellow) 57.50- 39.31- 65
- Percentage of functional community health teams- (yellow) 81.00- 78.01- 100
- Percentage of households with access to safe water- (red) 44.40- 84.06- 88
- Percentage of households with sanitary toilet facilities- (red) 37.50- 80.9- 90

Dr. Panganiban also presented the 32 programs being handled by the City Health Office. These are the following:

1. Maternal and Child Health Nutrition (MNCHN)
2. STI/HIV/AIDS Program
3. Vector Borne Disease Control Program
4. Bayanihan sa Malinis na Palikuran Program
5. TB Control Program
6. NCD Control Program
7. Operation of Blood Collection Unit Program
8. Satellite Health Center Program
9. Mental Health and Substance Abuse Prevention Program
10. Malnutrition Prevention and Rehabilitation Program
11. Population Control Program
12. Dental Services
13. BHW Program
14. Adolescent and Youth Health Development Program
15. Program for PWDs' and Senior Citizen
16. Renal Disease Control Program
17. Emerging and Re-emerging Disease Control Program
18. Health Emergency and Disaster Preparedness Program
19. Mentally Ill Management Program
20. Leprosy Prevention Program
21. Visual Health Program
22. Botika ng Barangay
23. Rabies Prevention and Control Program
24. Control of Acute Respiratory Program
25. Traditional Medicine Program
26. Environmental Sanitation Program
27. Laboratory Services
28. Expanded Program on Immunization
29. Control of Diarrheal Diseases program
30. Medical Services
31. Administrative Services
32. Technical services

Dr. Panganiban informed the participants the bottleneck and challenges and constraints that the City Health Office is facing and according to him it is caused by: (a) transition – change of leadership; (b) objective determination of gaps and challenges, thru evidenced based planning, analyzing the result and output , not merely satisfied with the accomplishments of health program implementation; (c) fragmented delivery of services- focusing on individual programs, not comprehensive and holistic approach ; (d) limited budget for health program implementation; (e) insufficient human resource complement; and (f) no centralized and systematic data management.

He explained that they are looking forward to a **SMOOTH DELIVERY OF HEALTH SERVICES, THRU PARADIGM SHIFT** - from confined and constricted flow of health leadership to improved Local Health Systems Development and converging with partner stakeholders - the social determinants of health. He mentioned that it will only be realized thru concerted effort from the Chief Executive who initiates and leads the RE-DIRECTION OF FOCUS of health system, legislators, Budget Officer/committee, Social Welfare and Development Office, DepEd, DoH, ZFF and UNICEF/WHO. He welcomed the USAID as one of its incoming partner. He ended his presentation with the statement that "Health challenges are no longer a one man's fight, but a concerted effort from each and every individual – from me, you, and us, as one."

After the presentation, the participants gave their observations and comments. Dr. Oliveros asked if how many BEMONC facility does the city have, and if they are accredited by PHIC. Dr. Panganiban replied, to date there is none yet. Mrs. Herrera cited that only two teams were trained on BEMONC. All identified colored red in the presented indicators were noted and immediately given a summed up plan of action as a result of pre-assessment. Below is the result:

HEALTH Development Challenges	Proposed Actions	Responsible Persons/ Groups
Lack/ Inadequacy of health staff need to update current skills; NDP's cannot be engaged	DOHRO IV-B to provide additional nurses and midwives through the NDP's and RHMP; Deployment of midwives and nurses will be implemented by ____ and be assigned in hard- to reach" areas 1 birthing home in ____ to be supported to secure MCP accreditation and LTO certification Explore possibilities of seeking support from the private hospitals and private practitioners to provide public health (and are PHIC- accredited)- particularly for clients who are Phil health-enrolled (CCT families; NHTS families; Poor enrolled by the LGU) Current Phil Health issuance: all pregnant NHTS women is automatically accredited; non- NHTS women had to be funded by the LGU (P2400); at the point-of-care, when proven poor, the pregnant women can be automatically enrolled	
Need for skills training (BEMONC training) to support management Of deliveries		
Lack of MCP/NCP- accredited birthing facilities		
Inadequate private sector participation		
Poor link between public and private sector facilities; no access to private sector service information		
Teenage pregnancies increasing (10-19) in 2013]; cases of maternal deaths among teenagers; teenage pregnancies not reported (until about 6-7 months):	Initiate public-private sector consultation to explore establishment of the network- to focus on current needs; partnership to be established	
NGO's exists and conducted studies and provided services for adolescents and MNCHN related services	Review current models, including the organization of SDN management team: to explore mutually beneficial arrangements including joint capacity	

Challenges in the implementation of responsible parenthood program- how can FP/RH and human sexually be integrated into the current DepEd curriculum	building	
Weak inter-agency link towards implementing health initiatives (e.g. sustained supply of blood for Palawan and Puerto Princesa)	Need to set-up guidelines/policies on the terms of engagements and terms of arrangements for the private sector participation	
Addressing maternal and infant deaths (4 out of 5 in year 2013 occurred at the Hospital ng Palawan); Problems with access to facilities; In 2014, there are 3 maternal deaths	Implement the adolescent Health programs with participation of Dep-Ed, TESDA, SK Mapping of all partners and NGO's supporting specific programs, specifically that of adolescents, pregnant mothers	
Limited capacities of BHW's to monitor NHTS households	Review the RH module for students produced by POPCOM Establish a network of both public and private hospitals to establish/ institutionalize a system for preventing maternal deaths cases	
On TB- low cure rate; Accessibility to TB-DOTS facility: only 25% are accredited as TB-DOTS facility inadequately trained personnel (microscopist) on TB case detection;	Explore implementation of "Finders fees" ____ for those that are able to identify the pregnant women and document them for close monitoring Additional facilities are to be established and will be assisted to get PCB1 &2 accreditation, TB DOTS accreditation and ____	
Poor access to health facilities: difficult access to roads, transport, and communications	Continue/ enhance implementation of services for addressing – ST/HIV-AIDS Improve access of NHTS through PCB1 and PCB2 certification Need to invest in transportation and communication	
High- in migration rate (how to track them; how to reach them; how all indigents be enlisted)	Need to establish education data on Puerto Princesa including among others, literacy rates, completion rates	
Lack of comprehensive data on education	Review and support implementation of current Dep Ed program for teenage pregnancies CHO to allocate budget for travel DOHRO 4B to support process of securing LTO Certification Phil Health to support MCP/NCP accreditation process	

	CHO to support completion of remaining requirements of other government agencies	
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Another presentation was given by Dr. Yolanda Oliveros on Towards Healthy Families – USAID/ Philippine’s Health Program. She recognized the importance of the USAID program to support the initiatives of the City Health Office of Puerto Princesa. The highlights of her presentation are:

1. Health focus areas are:
 - Focus on woman, girls, and gender equality
 - Encourage country ownership and invest in country-led plans
 - Build sustainability through health systems strengthening
 - Strengthen and leverage key multilateral organizations, global health partnerships and private sector engagement
 - Increase impact through strategic coordination and integration
 - Improve metrics, monitoring and evaluation
 - Promote research and innovation
2. FP-MCH (Family Planning- Maternal & Child Health)
 - Scale up post-partum FP, ENC, AMSTL and other proven interventions
 - Address unmet need of adolescents & youth
 - Improve SBA/FBA and support EINC
3. TB - Strengthen TB DOTS in remaining low case detection rate and low cure rate to prevent drug resistant TB cases
4. Project Sites - FP-MCH:42
5. Provinces/ cities in poor areas with high unmet need
6. TB:43 - Provinces/ cities with low-low TB status
7. HIV/AIDS: Quezon City for MSM and tri-cities of Cebu for PWID
8. ALL ARMM provinces
9. Focus on KP priorities

Needs Assessment Workshop: Addressing Health Issues

Date: November 25, 2014 (Tuesday)

Time started: 11:15 am

Time Ended: 12:20 pm

A. Situationer: Highlights of the Presentation

Mr. Jescir Cresencio presented to the group the accomplished profile of Puerto Princesa City and the case analysis to be used for the City Leadership and Governance Program with which ZFF is one of the partner agency, together with UNICEF, DOH and DAP. Based on the collected data, the following facts were shown.

- 2013 Projected Population : 266,600
- No. of Barangays : 66
- Urban Barangays : 35
- Rural Barangays : 31
- GIDA Barangays : 5
- Recognized as Highly Urbanized City; Cleanest and Greenest City; New Seven Wonders of Nature
- The lone city in Palawan accounts for about 30% of the provincial population.

- Within the City there is overwhelming concentration in the urban area. The urban population in 2007 accounts for 77% of the City's total and yet the urban area occupies only 6% of the total land area of Puerto Princesa.

	2011	2012	2013
MMR		6	5
IMR		52	46

- Livebirths/1,000 = 4,638
- PPC placed 2nd in the region in terms of MMR. Palawan province has the most cases of maternal deaths.
- PPC placed 3rd in the region. Marinduque had the most recorded infant deaths in 2013.
- 46 infant deaths (26 males, 20 females)
- 8% of the region's infant deaths last year came from PPC. Interestingly, the big bulk came from the Palawan province.
- In 2013, Eclampsia and Septicemia are the top causes of maternal deaths in Puerto Princesa City followed by Multiple Organ Failure with one account of death.
- And these causes are both preventable.
- Eclampsia is a condition with high blood pressure (BP) with seizures. This can usually be monitored in pre-natal and during delivery.
- Septicemia or Sepsis is an infection in the blood and could be caused by unclean delivery.
- (Pre)-eclampsia ranked second in MIMAROPA's leading causes of maternal death. Almost 1/3 from this number (10) came from Puerto Princesa City.
- 2014: ONP has a Bed Capacity of 150 but functioning as 250
- Clinical services for in-patients

LEVEL 1

Consulting

Specialist in:

Medicine

Pediatrics

OB-GYNE

Surgery

Emergency and Out-patient services

Isolation Facilities

Surgical/Maternity Facilities

Dental Clinic

LEVEL 2

Departmentalized clinical services

Respiratory Unit

General ICU

High Risk Pregnancy Unit

NICU

LEVEL 3

Level 2 plus all:

Teaching/training with accredited residency training program in the 4 major clinical services

Physical Medicine and Rehabilitation Unit

Ambulatory Surgical Clinic

Dialysis Clinic

Ancillary Services

Secondary Clinical Laboratory
Blood station
1st level x-ray
Pharmacy

Tertiary Clinical laboratory
Blood station
2nd level X-ray with mobile unit
Tertiary Lab with Histopathology
Blood bank
3rd level x-ray

According to Mr. Jescir, these are the top 3 most effective priority interventions in addressing hypertensive disorders based on compilation of studies and researches around the world. He added that since the consistent cause of maternal deaths in PPC for the past years was Eclampsia– which can be managed during Ante-natal Care, we'll analyze PPC's ANC in 2013 using EBaP. He then presented the analysis result using EBAP:

HEALTH SYSTEM ELEMENTS

Commodities
Human Resource
Access
First Use
Continuity
Quality

INDICATORS

- ✓ % of Health Centers with Stocks of Mg Sulphate
- ✓ % of Midwives meeting the 1:5000 ratio
- ✓ % of Health Personnel Visit and Availability
- ✓ % Pregnant women see FirstVisit
- ✓ % Pregnant women w/ 4 or more PN visits
- ✓ % Pregnant women completed 4 Prenatal Visits
- ✓ given 2 doses TT

Vital Health Indicators & Situation of Puerto Princesa City

Health Human Resources:

City Health Department Personnel	Required No.	Current No.	Remarks
City Health Officer		1	Acting CHO
Assistant CHO and Medical Officers	13	5+2	
Public Health Nurses	13	17	
Midwives	66	36	
Sanitary Inspectors	13	8	
Dentists	13	3	
Medical Technologists	13	6	
Barangay Health Workers (BHWs)	2,666	298	

Health Facilities:

- Palawan Adventist Hospital
- Ospital ng Palawan: Level 1, BEMONC services and Secondary Lab Facility
- San Jose Barangay Health Station and Birthing Facility caters to 17,485 population and to other residents from 5 neighbouring barangays
- From the seven satellite clinics of the city which have PNC, OPD, birth delivery, and dental services, Mangingisda and Inagawan have been consistently, in two years, low in birth deliveries versus the number of women who sought prenatal. So where did the other pregnant women deliver their babies?
- Ospital ng Palawan (DOH) – Secondary Clinical Laboratory, Blood Station
- MMG-PPC Coop Hospital (Private) – Secondary Clinical Laboratory, Blood Station
- Palawan Adventist Hospital (Private) – Tertiary Clinical Laboratory, Blood Station
- City Health Department Laboratory & Social Hygiene Clinic – Primary Clinical Laboratory
- Palawan State University Medical Health Laboratory – Secondary Clinical Laboratory

Mr. Jescir subsequently related the other determinants that affect health.

- Within the City there is overwhelming concentration in the urban area. The urban population in 2007 accounts for 77% of the City's total and yet the urban area occupies only 6% of the total land area of Puerto Princesa. –
- With 5 GIDA
- With growing Informal Settlers = Urban Brgys

He stated the following assessment: The effects of poverty on access of households to various needs can be seen in a number of related indicators. For example, the proportion of households whose members eat less than three full meals a day in the rural areas is three times more than that in the urban area. Similarly, in terms of access to safe water supply and sanitary facilities rural households appear to be severely under-served compared to their urban counterparts. Rural households appear to be better off than their urban counterparts in terms of proportion of squatter families, i.e. those with no secure tenure on housing. In terms of the quality of dwelling structures there are no significant differences between those of urban and rural poor households. Walking miles to school, caring for siblings or helping family members with chores, and lacking money to pay for school fees are just a few of the reasons.

After which, Mr. Jescir informed the participants his other findings/observations – there is no data on 4Ps families yet. Why there is a low coverage of PhilHealth sponsored by City and Province in Bancao-Bancao and Pagkakaissa?

Dr. Oliveros asked the health team if there are more concerns or questions from the group. Ms. Helen suggested to the group to give specific suggestions for the interventions and support the agency can extend to the City Health Office in their program implementation.

B. Summary of Workshop Outputs

Development Challenges	Proposed Actions	Responsible Groups/Agencies
<p>Functionality of Facilities</p> <ul style="list-style-type: none"> Lack/inadequacy of FP/MNCHN commodities (including vaccines for FIC) Inadequate human resource for health <p>Need to improve current health personnel capacities on FP service provision</p>	<ul style="list-style-type: none"> ✓ Implementation of a facility-level system for tracking commodity availability ✓ Creation of additional plantilla positions to meet expected "health personnel to population ratio" ✓ Deployment of additional RHMs in GIDA areas ✓ Facility enhancement of 5 satellite clinics to become an RHU 	<p>CHO DOHRO IV-B Development Partners NGOs Private sector companies</p>
<p>Weak public-private partnership Non-existence of a well-defined working arrangements between public and private</p>	<ul style="list-style-type: none"> ✓ Engagement of private sector providers with more concrete institutional arrangements ✓ Explore the establishment of medical tourism/ retirement facility as a possible innovation in Puerto Princesa in partnership with the private organizations ✓ Establishment of diagnostic health facilities in partnership with private companies 	<p>CHO DOHRO IV-B Development Partners NGOs Private sector companies</p>
<p>Lack of adequate information to increase demand for health service utilization</p> <ul style="list-style-type: none"> - lack/inadequate number of accredited BHWs - Investments on capacity building are wasted due to fast turn-over of BHWs 	<ul style="list-style-type: none"> ✓ Adoption and implementation of BHW IRR (under RA 7883) for proper accreditation process of BHWs ✓ Improve capacity of BHW on pregnancy tracking and TB case finding/ case holding ✓ Improve capacity on provision of messages, particularly among NHTS families (IPC training) 	<p>CHO and SP on Health</p>
<p>Teenage pregnancies</p> <ul style="list-style-type: none"> Increasing [993 pregnant women (10-19) in 2013] ; Cases of maternal deaths among 	<ul style="list-style-type: none"> ✓ Implement the adolescent health programs (for students, for pregnant teenagers and for postpartum teenagers) ✓ Mapping of all partners and 	<p>CHO DepEd POPCOM TESDA SK</p>

<p>teenagers</p> <p>Teenage pregnancies not reported (until about 6-7 months):</p>	<p>NGOs supporting specific programs, specifically that of adolescents, pregnant mothers</p> <ul style="list-style-type: none"> ✓ Integration of human sexuality education in the current modules for health and sciences subjects 	
<p>Unmet health needs of IPs</p> <p>- IPs consist of the 30% of poor population</p>	<ul style="list-style-type: none"> ✓ Outreach programs covering key health services ✓ Sustain support for the engagement and funding for IP health workers ✓ Development and provision of functional learning material on health ✓ Establishment of remote TB/malaria smearing stations in IP communities/GIDA 	<p>CHO</p> <p>Chieftains of different tribal groups</p> <p>PNNI (Palawan NGO Network, Inc.)</p> <p>National Commission on Indigenous People</p>
<p>Weak system for:</p> <ul style="list-style-type: none"> - ensuring quality of data on health - logistics management - Limited representation in the local health board <p>Lack of comprehensive data on education</p>	<ul style="list-style-type: none"> ✓ Data Quality Check (DQC) & FHSIS capacity building and RHU-level coaching ✓ Establishment of a centralized data management system & Data Health Board ✓ RHU-level capacity building on Supply Management and Recording System (SMRS) ✓ Expansion of membership of the Local Health Board ✓ Coordination with DepEd on the establishment of data on education 	<p>CHO</p> <p>Development Partners</p> <p>DOHRO IV-B</p> <p>DepEd</p>
<p>Poor access to health facilities</p> <ul style="list-style-type: none"> • Roads, transport & communications <p>2 GIDA areas which do not have access to main roads</p>	<ul style="list-style-type: none"> ✓ Investment on road & communication infrastructures ✓ Continuous provision of emergency transport system particularly in GIDA ✓ Support to satellite health clinics to be able to function as “half-way house” for clients in GIDA areas 	<p>LGU</p> <p>Private companies(e.g. SMART, Globe and Sun to provide free services as part of their CSR)</p>
<p>Poor access to clean water supply (Gap: 21%) and sanitary toilets (Gap: 13%)</p> <p>Poor management of solid waste</p>	<ul style="list-style-type: none"> ✓ Upgrading of water supply system from Level 2 to Level 3 ✓ Sustain the implementation of program on “Bayanihan Para sa Malinis na Palikuran” 	<p>CED</p> <p>CHO</p>

